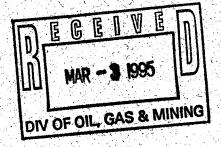


March 1, 1995

Utah Division of Oil, Gas & Mining 3 Triad Center, Suite 350 Salt Lake City, UT 84180-1203

Attn: Frank Matthews



Re: DALEN Resources Oil & Gas Co.

Federal #3-24B

NE NW Sec. 24, T9S - R19E

Uintah County, Utah

Dear Frank,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please forward the approved copies to Cindy Keister, DALEN Resources Oil & Gas Co. at the address shown on the A.P.D. Thanks for your assistance in this matter.

Sincerely,

PERMITCO INC.

Lisa L. Smith

Consultant for:

DALEN Resources Oil & Gas Co.

Lea & Smith

Enc.

cc: DALEN Resources Oil & Gas Co. - Dallas, TX
DALEN Resources Oil & Gas Co. - Vernal, UT

FORM 3160-3 (November 1983) (formerly 9-331C)

850'

CONFIDENTIAL - TIGHT HOLE

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL,

UNITED STATES DEPARTMENT OF THE INTERIO BUREAU OF LAND MANAGEMEN'

SUBMIT IN TRIPLICAT. (Other instructions on	Form approved. Budget Bureau No. 1004-0136		
m'E G E		Proire Augus 3, 1985	

(formerly 9-331C)			•	procesite)	12 D	1985 August 3 , 1985	
	UNIT	ED STATES	•	n sig G	E 0	W G n	
r	PEPARTMENT					5. LEASE DESIGNATION AND	
•		-		n		5 1 15 7 5	SERIAL NO.
	BUREAU OF L	AND MANAGE	MENI	ILLLI MAR	-3	19 05TU-68625	
				11		6. IF INDIAN, ALLOTTEE OR TI	RIBE NAME
APPLICATION	FOR PERMIT 7	ro drill, d	EEPEN, OR P	HUGLBACI	<u></u>	N/A	
1a. TYPE OF WORK	DRILL X	DEEPEN		PROGREGACIO	€ , G^€	7. UNIT AGRIEMENT NAME	
1b. TYPE OF WELL						West Willow Cree	ek Unit
OIL	GAS		SINGLE	MULTIPLI	E	8. FARM OR LEASE NAME	
WELL	WELL X OTHER		ZONE X	ZONI	E	Federal	
2. NAME OF OPERATOR	214/750-380	0 668	8 N. Central Exp	ressway,		9. WELL NO.	
DALEN Resources			te 1000 Dallas, T	X 75206		#3-24B	
3. ADDRESS OF OPERATOR	303/452-888	8 135	85 Jackson Drive			10. FIELD AND POOL OR WILDO	CAT
PERMITCO INC	Agent	Der	ver, CO 80241			Natural Buttes 63	0
4. LOCATION OF WELL (R	eport location clearly and in a	ccordance with any Sta	te requirements.*)			11. SEC., T., R., M., OR BLK.	
At Surface	850' FNL ai	nd 1980' FWL				AND SURVEY OR AREA	
At proposed Prod. Zone	NE NW Sec	. 24, T9S - R19I	3				
,						Sec. 24, T9S - R19	Œ
14. DISTANCE IN MILES AND I	DIRECTION FROM NEAREST T	OWN OR POST OFFICE*	· · · · · · · · · · · · · · · · · · ·			12. COUNTY OR PARISH	13. STATE
Approx. 6	6.4 miles to Ouray,	UT				Uintah	Utah
15. DISTANCE FROM PROPOSE		PROPERTY	16. NO. OF ACRES IN LEAS	E	17. NO	OF ACRES ASSIGNED TO THIS	WELL
OR LEASE LINE, FT.(Also to	nearest drig, unit line, if any)		1067 50			160	
OFA		i i	1767 60	0.0000	١.		

20. ROTARY OR CABLE TOOLS

DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Approx. 2000' 5400' Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 4723' **Upon Approval of this Application** PROPOSED CASING AND CEMENTING PROGRAM 23. QUANTITY OF CEMENT WEIGHT/POOT SIZE OF CASING SETTING DEPTH SIZE OF HOLE 9-5/8" 350 110 sx circ to surf 12-1/4" 36# 7-7/8" 5-1/2" 17# 5400 900 cubic feet - circ to surf

19. PROPOSED DEPTH

DALEN Resources Oil & Gas Co. proposes to drill a well to 5400' to test the Lower Green River E(2) Carb. formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

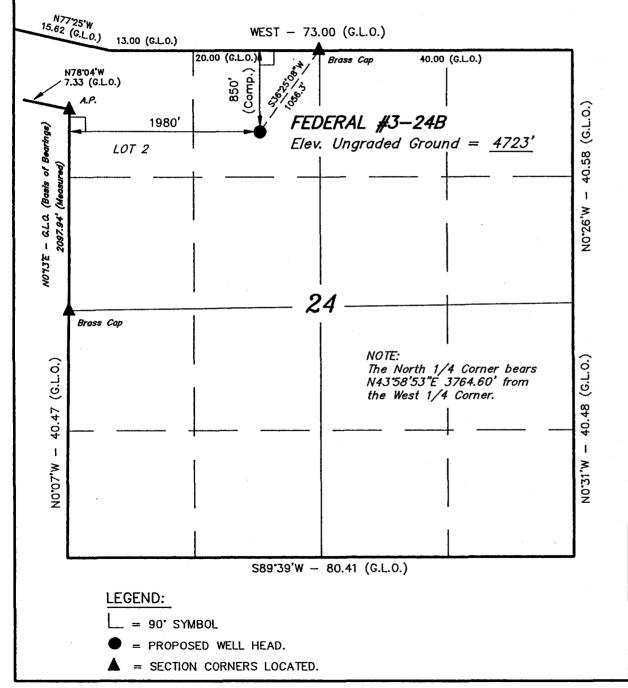
CONFIDENTIAL - TIGHT HOLE

Please be advised that DALEN Resources Oil & Gas Co. is considered to be the Operator of the above mentioned well. DALEN Resources Oil & Gas Co. agrees to be responsible under the terms and conditons of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-187011. The principal is DALEN Resources Oil & Gas Co. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deil for proposal is to drill or deepen directionally, give pertinent data on subsurface lo	ppen or plug back, give data on present productive zone and proposed ocations and measured and true vertical depths. Give blowout prevente	new productive zone. er program, if any.
24. SIGNED SLOW S. Smill	Consultant for: TITLE DALEN Res. Oil & Gas	DATE 03/01/95
(This space for Federal or State office use)		
PERMIT NO. 43-047-3267/	APPROVAL DATE	
APPROVED BY THE RULE	TITLE fetitleum engmeire	6/20/95
CONDITIONS OF APPROVAL, IF ANY:	,	/ /

T9S, R19E, S.L.B.&M.

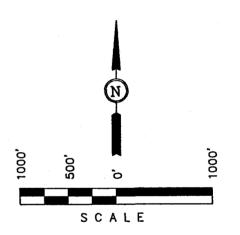


DALEN RESOURCES OIL & GAS CO.

Well location, FEDERAL #3-24B, located as shown in the NE 1/4 NW 1/4 of Section 24, T9S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 9EAM 1964 LOCATED IN THE SE 1/4 OF SECTION 13, T9S, R19E, S.L.B.&M. TAKEN FROM THE OURAY QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4658 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 2-9-95 2-13-95
PARTY J.T.K. B.B. D.J.S.	REFERENCES G.L.O. PLAT
WEATHER	FILE
COOL	DALEN RESOURCES OIL & GAS CO.

FORM 3160-3 (November 1983) (formerly 0-331C)

CONFIDENTIAL - TIGHT HOLE

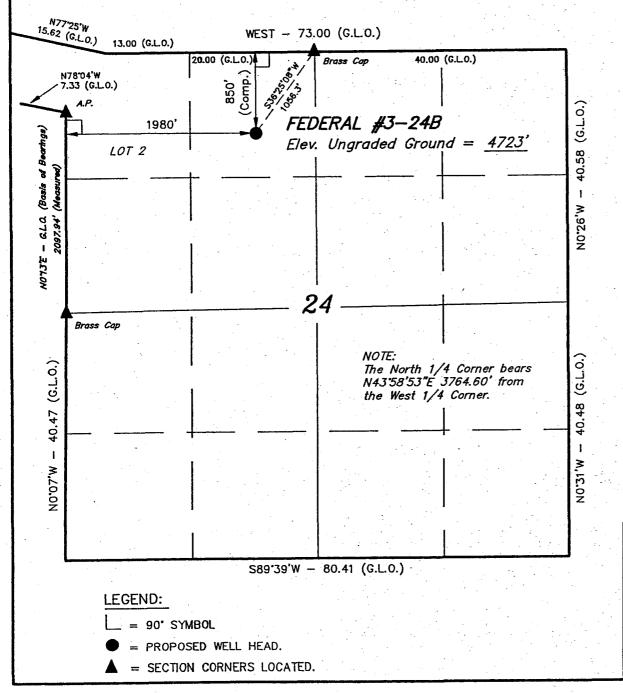
UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICAT)	Form approved.
(Other instructions or reverse Side)	3	0	Ducket Bureau No. 1004-0136 WExplaces August 31, 1985

I	reverse s	Ede)	E		WEXI Ses	₫.	leu N	1	31, 1985
	3	MAD		2	5. LEASE) Pi	ļ	N	ATION AND SERIAL NO.
I		MAK	-	3	YYY UTU	ł	8	Ġ.	.5

				1 1 1	TTEE OR TRIBE NAME
PPLICATION FOR	PERMIT TO DRIL	LL, DEEPEN, C)R RLU G BAC	K N/A	
DDU			BIVICEQU	.,GA\$ & MINING I	WI MAN (T)
	A DEEPL		E-Ma Date	<u> </u>	ow Creek Unit
TYPE OF WELL	,	SINOI II	A STATE OFFICE		
OIL GAS	XOTHER	SINGLE ZONE X	MULTIPI ZON		NAME
<u> </u>	L				
VAME OF OPERATOR	214/750-3800	6688 N. Centra		9. WELL NO.	
OALEN Resources Oil &	Gas Co. 303/452-8888	Suite 1000 Dall 13585 Jackson D		#3-24B	
DDRESS OF OPERATOR		Denver, CO 802		10. FIELD AND POOI Natural B	
PERMITCO INC Age OCATION OF WELL (Report loca			/41		
Surface	850' FNL and 1980' I			11. SEC., T., R., M., O AND SURVEY OR	
proposed Prod. Zone	NE NW Sec. 24, T9S		•	ANDSORVETOR	ANDA
proposed Fied. Zone	THE THAT SEE MAY 120	·	• "	Sec. 24, T9	S . R19E
DISTANCE IN MILES AND DIRECTION	N FROM NEAREST TOWN OR POST	r office*		12. COUNTY OR PA	
Approx. 6.4 mile	es to Ouray, UT			Uintah	Utah
DISTANCE FROM PROPOSED* LOCA	TION TO NEAREST PROPERTY	16. NO. OF ACRES	n lease	17. NO. OF ACRES ASSIGN	ED TO THIS WELL.
OR LEASE LINE, FT.(Also to mearest drl _i	g. umi me, ii any)	124	67.58 acres	160	
DISTANCE FROM PROPOSED LOCAT	ION* TO NEAREST WELL	19. PROPOSED DEP		20. ROTARY OR CABLE TO	OLS
DRILLING, COMPLETED, OR APPLIEI					
Approx		540)O'	Rotary	
ELEVATIONS (Show whether DF, RT, G	R, etc.)				WORK WILL START*
4723'				Upon Appro	val of this Application
	DDODOSED CA	SING AND CEMENTING	PPOCPAM		
	:	SING AND CEMENTING			NY 2474 (75 NY
SIZE OF HOLE	SIZE OF CASING	WEIGHT/POOT	SETTING DEPTH	QUANTITY	
SIZE OF HOLE 12-1/4"	SIZE OF CASING 9-5/8"		SEITING DEPTH 350'	QUANTITY 110 sx circ to	surf
SIZE OF HOLE 12-1/4" 7-7/8"	SIZE OF CASING 9-5/8" 5-1/2"	weight//роот 36# 17#	\$ETTING DEPTH 350' 5400'	QUANTITY 110 sx circ to 900 cubic fee	o surf et - circ to surf
SIZE OF HOLE 12-1/4" 7-7/8" ALEN Resources Oil & productive, casing will hate of Utah requirement e Onshore Order No. 1 are ase be advised that DAALEN Resources Oil & nducted upon the lease land coverage for this we	9-5/8" 5-1/2" Gas Co. proposes to droe run and the well corts. attached. LEN Resources Oil & Gas Co. agrees to be relands. Il is provided by Bond	weight//Poot 36# 17# rill a well to 5400' t mpleted. If dry, the MFIDENTI Gas Co. is consider esponsible under the	setting depth 350° 5400° o test the Lower G well will be plugg Company of the C	QUANTITY 110 sx circ to 900 cubic fee Freen River E(2) Carl ged and abandoned as HTHOLE ator of the above mentions of the lease for the	o surf et - circ to surf o. formation. s per BLM and ntioned well. he operations
SIZE OF HOLE 12-1/4" 7-7/8" ALEN Resources Oil & productive, casing will hate of Utah requirement to Conshore Order No. 1 are ase be advised that DA ALEN Resources Oil & nducted upon the lease lond coverage for this we a surety consent as proven the contraction of the contrac	SIZE OF CASING 9-5/8" 5-1/2" Gas Co. proposes to droe run and the well corts. attached. LEN Resources Oil & Gas Co. agrees to be relands. Il is provided by Bond ided for in 43 CFR 310	weight/Foot 36# 17# rill a well to 5400' t mpleted. If dry, the MFIDENT Gas Co. is consider esponsible under th No. U-187011. The 04.2. is to deepen or plug back, giver a grace locations and measures Co	setting depth 350° 5400° test the Lower G well will be plugg Ced to be the Opera te terms and condition the principal is DAL The data on present productive thand true vertical depths. General tests and consultant for:	QUANTITY 110 sx circ to 900 cubic fee green River E(2) Carlot and abandoned as HTHOLE ator of the above mentons of the lease for to EN Resources Oil & e zone and proposed new productive blowout preventer program	o surf et - circ to surf o. formation. o per BLM and ntioned well. he operations Gas Co. ctive zone. if any.
SIZE OF HOLE 12-1/4" 7-7/8" ALEN Resources Oil & productive, casing will hate of Utah requirement e Onshore Order No. 1 are assed to advise that DA ALEN Resources Oil & nducted upon the leased ond coverage for this we a surety consent as proven as proven as proven the lease of the surety consent as proven the surety conse	SIZE OF CASING 9-5/8" 5-1/2" Gas Co. proposes to droe run and the well corts. attached. LEN Resources Oil & Gas Co. agrees to be relands. Il is provided by Bond ided for in 43 CFR 310	weight/Foot 36# 17# rill a well to 5400' t mpleted. If dry, the MFIDENT Gas Co. is consider esponsible under th No. U-187011. The 04.2. is to deepen or plug back, giver a grace locations and measures Co	setting depth 350° 5400° test the Lower G well will be plugg Ced to be the Opera te terms and conditions the principal is DAL The data on present productive thand true vertical depths. G	QUANTITY 110 sx circ to 900 cubic fee green River E(2) Carlot and abandoned as HTHOLE ator of the above mentons of the lease for to EN Resources Oil & e zone and proposed new productive blowout preventer program	o surf et - circ to surf o. formation. i per BLM and ntioned well. he operations Gas Co.
SIZE OF HOLE 12-1/4" 7-7/8" ALEN Resources Oil & productive, casing will hate of Utah requirement see Onshore Order No. 1 and the end of the	SIZE OF CASING 9-5/8" 5-1/2" Gas Co. proposes to droe run and the well corts. attached. LEN Resources Oil & Gas Co. agrees to be relands. Il is provided by Bond ided for in 43 CFR 310	weight/Foot 36# 17# rill a well to 5400' t mpleted. If dry, the MFIDENT Gas Co. is consider esponsible under th No. U-187011. The 04.2. is to deepen or plug back, giver a grace locations and measures Co	setting depth 350° 5400° test the Lower G well will be plugg Ced to be the Opera te terms and condition the principal is DAL The data on present productive thand true vertical depths. General tests and consultant for:	QUANTITY 110 sx circ to 900 cubic fee green River E(2) Carlot and abandoned as HTHOLE ator of the above mentons of the lease for to EN Resources Oil & e zone and proposed new productive blowout preventer program	o surf et - circ to surf o. formation. o per BLM and ntioned well. he operations Gas Co. ctive zone. if any.
SIZE OF HOLE 12-1/4" 7-7/8" ALEN Resources Oil & productive, casing will hate of Utah requirement e Onshore Order No. 1 arease be advised that DA ALEN Resources Oil & anducted upon the lease land coverage for this we a surety consent as proventially as processed in the description of the lease of leas	9-5/8" 5-1/2" Gas Co. proposes to droe run and the well corts. attached. LEN Resources Oil & Gas Co. agrees to be relands. Il is provided by Bond ided for in 43 CFR 310 cosed PROGRAM: If proposal inally, give pertinent data on subsu	weight/poot 36# 17# rill a well to 5400' to the service of the se	setting depth 350° 5400° test the Lower G well will be plugg Ced to be the Opera te terms and condition the principal is DAL The data on present productive thand true vertical depths. General tests and consultant for:	QUANTITY 110 sx circ to 900 cubic fee green River E(2) Carlot and abandoned as HTHOLE ator of the above mentons of the lease for to EN Resources Oil & e zone and proposed new productive blowout preventer program	o surf et - circ to surf o. formation. o per BLM and ntioned well. he operations Gas Co. ctive zone. if any.

T9S, R19E, S.L.B.&M.

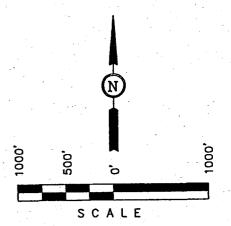


DALEN RESOURCES OIL & GAS CO.

Well location, FEDERAL #3-24B, located as shown in the NE 1/4 NW 1/4 of Section 24, T9S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 9EAM 1964 LOCATED IN THE SE 1/4 OF SECTION 13, T9S, R19E, S.L.B.&M. TAKEN FROM THE OURAY QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4658 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME ON UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 2-9-95 2-13-95					
PARTY J.T.K. B.B. D.J.S.	REFERENCES G.L.O. PLAT					
WEATHER COOL	FILE DALEN RESOURCES	OIL & GAS CO.				

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

#3-24B FEDERAL 850' FNL and 1980' FWL NE NW Sec. 24, T9S - R19E Uintah County, Utah

Prepared For:

DALEN RESOURCES OIL & GAS CO.

By:

PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888

To:

Copies Sent To:

- 3 BLM Vernal, Utah
- 1 Utah Division of Oil, Gas & Mining SLC, UT
- 3 DALEN Resources Oil & Gas Co. Dallas, TX
- 1 DALEN Resources Oil & Gas Co. Vernal, UT



DALEN Resources Oil & Gas Co.



January 4, 1995

Bureau of Land Management 170 South 500 East Vernal, UT 84078

RE: Agent Designation

Gentlemen:

This letter is to inform you that Permitco, Inc. is authorized to act as Agent and to sign documents on behalf of DALEN Resources Oil & Gas Co. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way application, etc.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

DALEN Resources Oil & Gas Co. agrees to accept full responsibility for operations including drilling, completion and production.

Very truly yours.

Cindy R. Keister

Supervisor Regulatory Compliance

Northern Production Division

CRK/ck

TABLE OF CONTENTS #3-24B Federal

DRILLI	NG PROGRAM	Page No.
1	Formation Tops	. 1
2	Anticipated Depth of Oil, Gas & Water	1-2
3	Blow Out Preventor Requirements	2-3
4	Casing and Cement Program	4-6
5	Mud Program	7
6	Testing, Logging and Coring	7-8
7	Abnormal Pressures & H ₂ S Gas	9
8	Other Information & Notification Requirements	9-11
SURFA	CE USE PLAN	
1	Existing Roads	1-2
2	Access Roads to be Constructed or Reconstructed	2-3
3	Location of Wells Within 1-Mile	3
4	Proposed Production Facilities	4
5	. Water Supply	5
6	. Construction Materials	5
7	. Waste Disposal	5-6
8	. Ancillary Facilities	6
. 9	. Wellsite Layout	6-7
1	0. Reclamation	8
1	1. Surface/Mineral Ownership	8
1	2. Other Information	9-10
1	3. Certification	11



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	Depth (TVD)	<u>Subsea</u>
Uinta	Surface	
Green River	1085'	+3655'
Douglas Creek Marker	4226'	+ 524'
E, Marker	4731'	+ 9'
F Marker	4900'	- 160'
Basal Ls.	5238'	- 498'
Wasatch	5371'	- 631'
T.D.	5400'	

2. Anticipated Depth of Oil, Gas & Water

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Oil	E ₂ Marker	4845-4900'
Water	N/A	
Other Mineral Zones	N/A	



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM

Page 2

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Blow Out Preventor Requirements

PG & E's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 3

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 10", 3000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit <u>all</u> tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 4

4. Casing and Cement Programs

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 5

- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of 1 centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- 1. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

m.	The propo	The proposed casing program will be as follows:								
Purpose Surface	<u>Depth</u> 0-350'	Hole Size 12-1/4"	O.D. 9-5/8"	Weight 36#	Grade K-55	Type Used ST&C New				
Produc.	0-5400'	7-7/8''	5-1/2"	17#	J-55	ST&C New				

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

Surface 0-350'

Type and Amount

± 110 sx Class "A" Cement or
sufficient volume to circulate to
surface.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM

Page 6

Production

Type and Amount
Approx. 900 cubic feet of 50/50 Poz
Mix, 14.1 ppg, 1.26 yield or sufficient
to circulate to surface.

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 7

5. Mud Program

a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	Mud Type	Mud Wt.	<u>Visc.</u>	F/L	PH
0-5400'	LSND	8.3-10.1	26-40	4-10	9-10

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
 - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

a. Drill stem tests will be run as warranted after log evaluation. (Straddle test).

If DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 8

the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a Dual Laterolog (2" and 5") from T.D. to base of surface casing. A Spectral Density Dual Spaced Neutron Log w/ PE curve, 5" from TD to 2500'.
- c. No cores are anticipated. Rotary sidewall cores if warranted.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:

 Perforate zones of interest and frac hydrocarbon bearing zones. Flow to tanks.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM

Page 9

7. Abnormal Pressures & H₂S Gas

- The expected bottom hole pressure is 1900 psi. a.
- No hydrogen sulfide gas is anticipated. b.

Other Information and Notification Requirements 8.

- Drilling will commence immediately upon approval of this application. a.
- It is anticipated that the drilling of this well will take approximately 9 days. b.
- The BLM in Vernal, Utah shall be notified of anticipated date of location c. construction commencement and of anticipated spud date.
- No location will be constructed or moved, no well will be plugged, and no d. drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- The spud date will be reported orally to the AO within 48 hours after e. spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- In accordance with Onshore Oil and Gas Order No. 1, this well will be f. reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other g. unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 10

- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to NTL-2B, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- 1. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This



CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-68625

DRILLING PROGRAM
Page 11

report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



Typical BOP Equipment. Actual Configuration May Vary Slightly But Will Conform With Onshore Order No. 2

THREE PREVENTER HOOKUP CLASS III (MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS) FLOW LINE FILL-UP LINE ANNULAR PREVENTER BLIND RAMS CHOKE MANIFOLD ADJUSTABLE CHOKE PIPE RAMS PRESSURE GAUGE 2"-4" STEEL VALVES 2" STEEL VALVE 2"-4" STEEL VALVE 2"-4" LINE (OUTSIDE IS CHECK) FLANGED STEEL CROSS 2"-4" STEEL VALVES 2" STEEL VALVE **ADJUSTABLE** CHOKE

CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

Thirteen Point Surface Use Plan

The onsite inspection for the above mentioned well was conducted on Thursday, February 23, 1994. Weather conditions were warm and dry with a slight breeze. Present at the onsite inspection were the following individuals:

Greg Darlington	Natural Resource Specialist	BLM
Carl Wright	Natural Resource Specialist	BLM
Blain Phillips	Archeologist	BLM
Kim Bartel	Recreation Planner	BLM
Jean Sinclear	T & E Plant Specialist	BLM
Robert Kay	Surveyor	UELS
Lisa Smith	Permitting Consultant	Permitco Inc.
Randy Miller	Production Foreman	DALEN Resources

1. Existing Roads

- a. The proposed well site is located approximately 6 miles southwest of Ouray, Utah.
- b. Directions to the location from Ouray, Utah are as follows:

From Ouray proceed south on the Seep Ridge Road (County Road) for approximately 2.6 miles. Turn right and proceed southwesterly on an existing oilfield road for 3.1 miles to a fork in the road. Turn left and proceed south for 0.6 miles. Turn right onto the new access road and proceed northwesterly for 0.1 miles to the location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN

Page 2

f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Planned Access Roads

- a. There will be approximately 0.1 miles of new access road to be constructed. The new road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.
- b. The maximum grade will be approximately 8% or less.
- c. No turnouts are planned.
- d. No culverts and/or bridges will be required, however, appropriate drain dips or water turnouts will be installed as necessary to control erosion.
- e. The access road was centerline flagged at the time of staking.
- f. The need for surfacing material is not anticipated at this time.
- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements.

 Construction/upgrading shall include ditching, draining, graveling, crowing



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN

Page 3

and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

- k. A road right of way application will not be required as the new access is within the lease boundaries.
- 3. <u>Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.</u>
 (See Map #C).
 - a. Water wells none
 - b. Injection wells none
 - c. Producing wells two
 - d. Drilling wells none
 - e. Shut-in wells none
 - f. Temporarily abandoned wells none
 - g. Disposal wells none
 - h. Dry Holes none



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN
Page 4

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Brown (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required paint color is Desert Brown.
- b. Attached is a production facility layout showing the location of proposed facilities at this site. This layout was based on concerns of Kim Bartel Recreation Planner for the BLM. All tank batteries shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- d. Any necessary pits will be properly fenced to prevent any wildlife entry.
- e. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- f. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- g. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- h. The road will be maintained in a safe useable condition.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN Page 5

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from an underground water well located in the SE/4 of Section 32, T4S R3E (in Ouray). (Permit No. 43-8496).
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.
- d. A copy of the approved water permit is attached.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. A reserve pit liner has been required by the Bureau of Land Management and will be a minimum of 12 mil thickness with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN
Page 6

- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The reserve pit will be located on the northeast side of the location.
- b. The flare pit will be located downwind of the prevailing wind direction on the southeast side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN
Page 7

- c. The stockpiled topsoil (first six inches) will be stored along the west side of the location as shown on the attached rig layout.
- d. Access to the wellpad will be from the southeast as shown on the attached rig layout.
- e. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- f. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- g. All pits will be fenced according to the following minimum standards:
 - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
 - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
 - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- h. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN
Page 8

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 180 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. The appropriate surface management agency should be contacted for required seed mixture.

Dry Hole

f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attached the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are County maintained or are on Indian or BLM lands.

Wellpad - The well pad is located on lands owned by the BLM.



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN Page 9

12. Other Information

- a. A Class III archeological survey was conducted by Metcalf Archeological Consultants, Inc. No significant cultural resources were found and clearance has been recommended. A copy of this report is attached.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - -whether the materials appear eligible for the National Register of Historic Places;
 - -the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - -a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.



UTU-68625

SURFACE USE PLAN
Page 10

- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- g. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
- h. The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.
- i. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.
- j. In the event after-hours approvals are necessary, please contact one of the following individuals:

Wayne Bankert Ed Forsman BLM Fax Machine Petroleum Engineer Petroleum Engineer

801/789-4170 801/781-7077 801/781-4410



CONFIDENTIAL - TIGHT HOLE

UTU-68625

SURFACE USE PLAN Page 11

13. Lessee's or Operator's Representative and Certification

Permit Matters
PERMITCO INC.
Lisa L. Smith
13585 Jackson Drive

13585 Jackson Drive Denver, CO 80241

303/452-8888

Drilling & Completion Matters DALEN Resources Oil & Gas Co.

6688 N. Central Expressway

Suite 1000

Dallas, TX 75225

Terry Stull - 214/750-3800 - Drlg. Engineer Cindy Keister - 214/750-3800 - Regulatory

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by DALEN Resources Oil & Gas Co. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

March 1, 1995

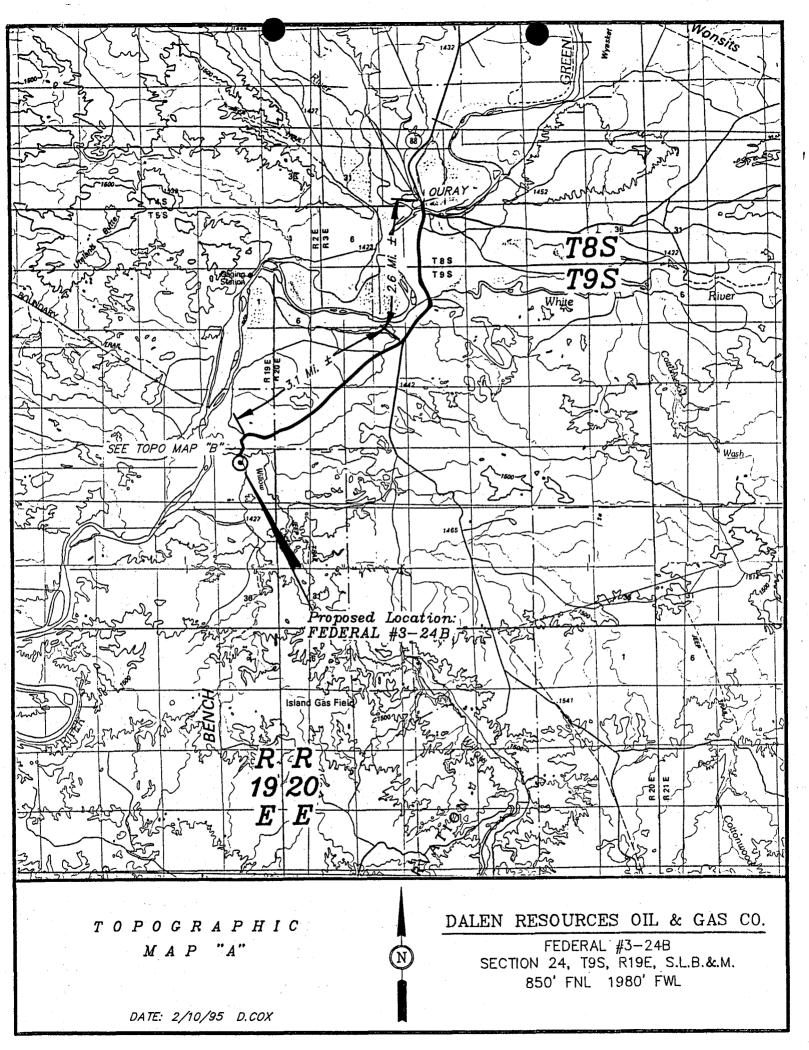
Date:

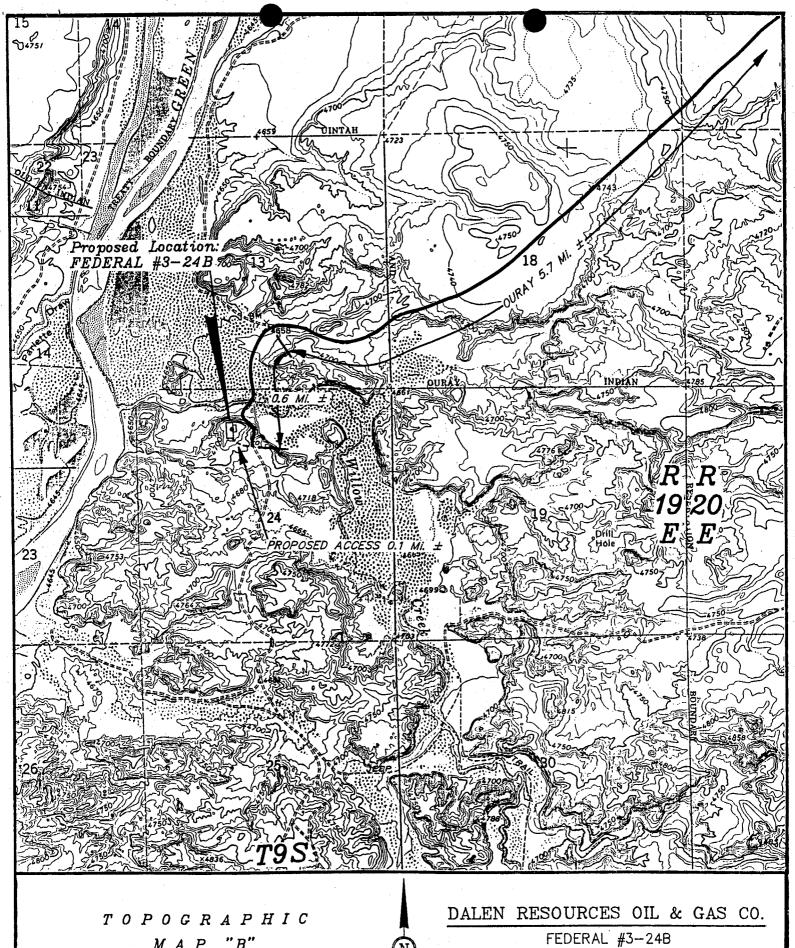
Lisa L. Smith - PERMITCO INC.

Authorized Agent for:

DALEN Resources Oil & Gas Co.





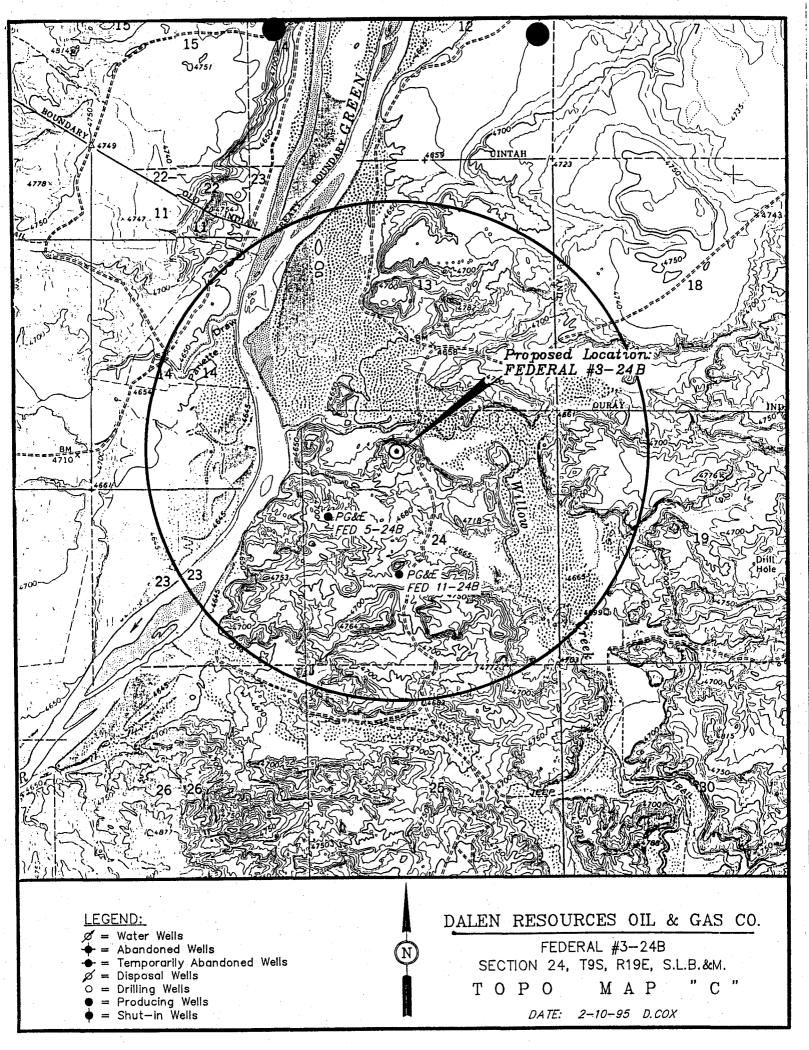


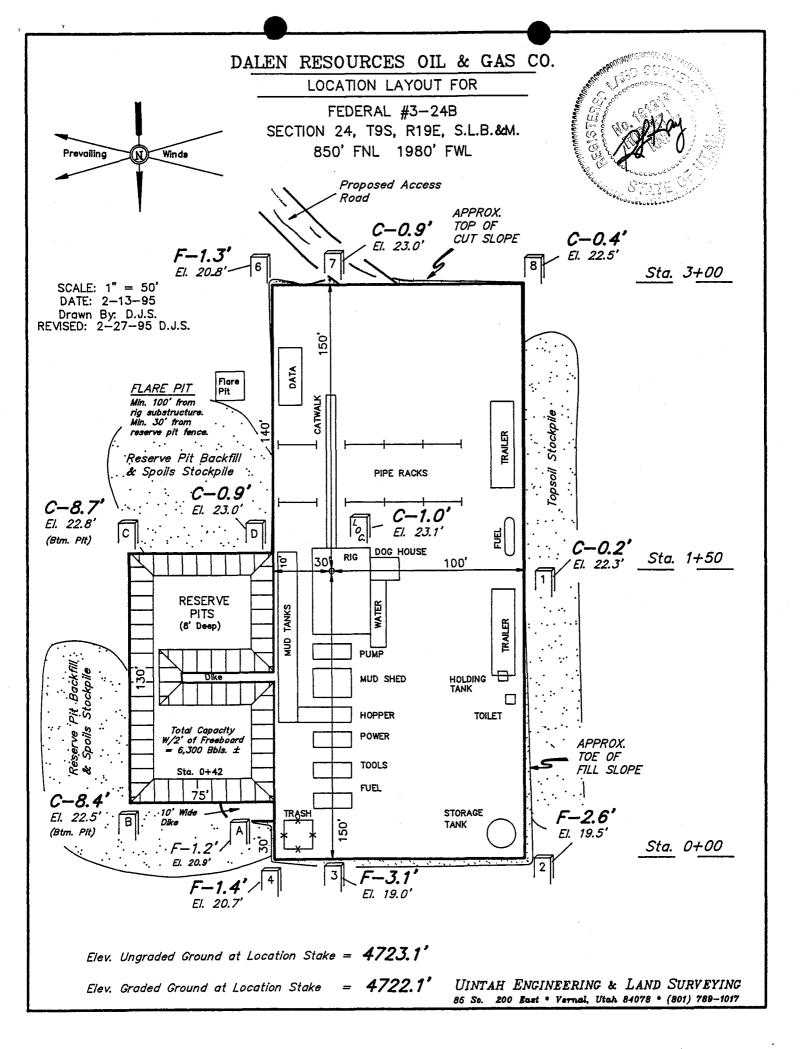
M A P "B"

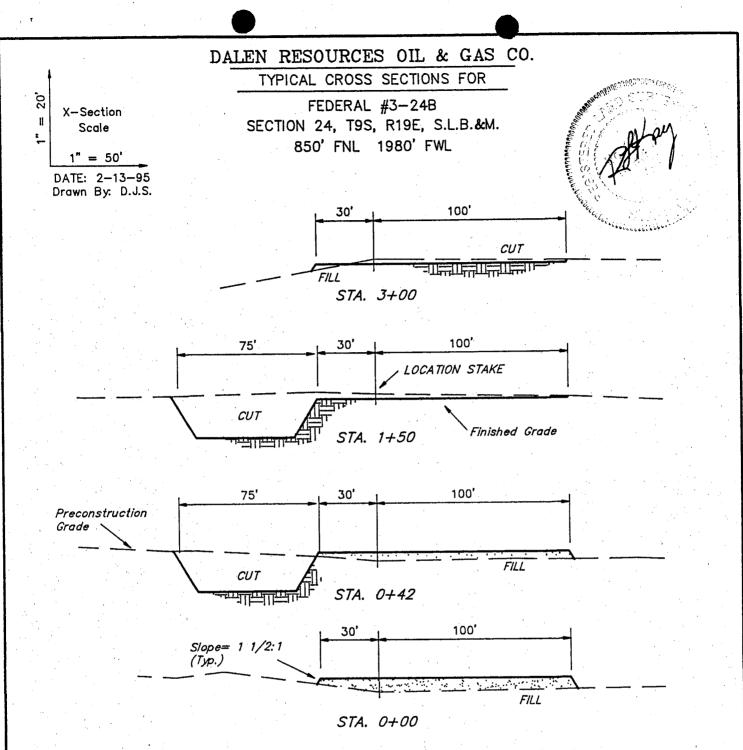
SCALE: 1"=2000'

DATE: 2/10/95 D.COX

SECTION 24, T9S, R19E, S.L.B.&.M. 850' FNL 1980' FWL







APPROXIMATE YARDAGES

CUT (6") Topsoil Stripping = 900 Cu. Yds.

Remaining Location = 2,170 Cu. Yds.

TOTAL CUT = 3,070 CU.YDS.

FILL = 1,130 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 1,880 Cu. Yds.
Topsoil & Pit Backfill = 1,880 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

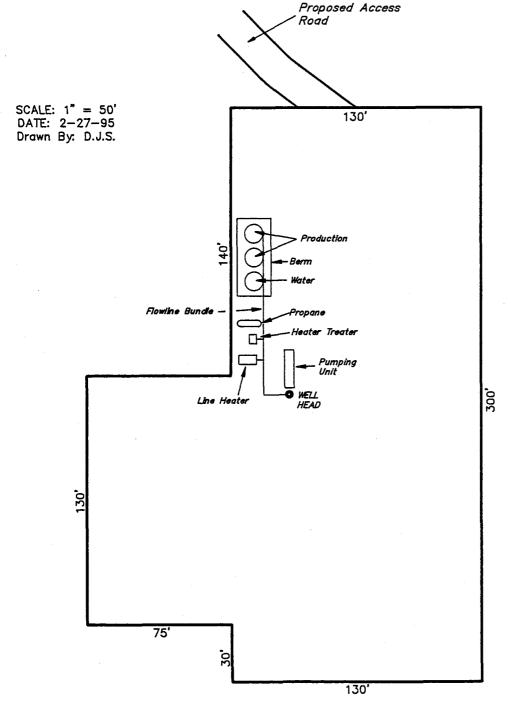
UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

DALEN RESOURCES OIL & GAS CO.

TYPICAL PRODUCTION FACILITIES

FEDERAL #3-24B SECTION 24, T9S, R19E, S.L.B.&M. 850' FNL 1980' FWL





There are no federal stipulations at this time.





M A C Metcalf Archaeological Consultants, Inc.

15 Feb 1995

Ms. Cindy Keister
Dalen Resources
6688 North Central Expressway
Suite 1000
Dallas, TX 75206

Ms. Keister:

Enclosed find a copy of the cultural resource survey report for your proposed West Willow Creek Unit #3-24B well pad and access in Uintah County, Utah. A prehistoric lithic scatter and several Late Eocene fossil turtle shell fragments were found within the ten acre survey area and in the pad area. However, these resources are dispersed and in a deflated surface context associated with lag gravels. There are reported fossil localities in higher strata to the south and southeast that could be related to the source of the fossils at this locality. The cultural resource locality is recommended to be not eligible for the National Register, and cultural resource clearance is recommended.

Copies of this report have also been sent to Blaine Phillips at the Vernal District Bureau of Land Management, and to Lisa Smith at Permitco. The BLM will forward a copy to the Utah SHPO. If you have any questions or require any further materials, do not hesitate to contact our office.

Sincerely,

Carl Späth, Ph.D.

Senior Staff Archaeologist

Dalen Resources Oil & Gas Company's West Willow Creek Unit # 3-24B Well Pad and Access, Section 24, T 9 S, R 19 E, Uintah County, Utah

Prepared by,
Carl Späth, Ph.D.
Metcalf Archaeological Consultants, Inc.
Eagle, Colorado

Prepared for,
Dalen Resources
Dallas, Texas
Denver, Colorado

State Project # U-95-mm-043b

BLM Permit # 94-UT-54945

(expires 5/31/95)

February 1995

INTRODUCTION

Metcalf Archaeological Consultants, Inc. (MAC), conducted a Class III cultural resource inventory for Dalen Resources Oil & Gas Company's proposed Federal Well #3-24B. A 10 acre block centered on the staked well location (850' FNL, 1980 ' FWL) was surveyed, and a total of 370 feet (113 m) of 100 foot wide corridor was surveyed outside the 10 acre block for the proposed access corridor. The area was surveyed by pedestrian transects spaced not more than 15 meters apart. The proposed well pad is located in the NE¼ NW¼ of Section 24, T 9 S, R 19 E, Uintah County, Utah (Figure 1). Access to the well pad will be from an existing improved road to the southeast. The total acreage covered for this project was approximately 10.8 acres.

This project is located on property administered by the Bureau of Land Management (BLM), Vernal District. The survey was conducted on 9 and 10 February 1995, by John M. Scott under BLM permit # 94-UT-54945 which expires on 31 May 1995. All field notes and maps are on file at the MAC office in Eagle, Colorado.

STATEMENT OF OBJECTIVES

Following the mandated policies implementing the National Historic Preservation Act of 1966 (NHPA [Public Law 89-665]), as amended, this project was inventoried to locate any cultural resources within the potential area of effect of the proposed undertaking. Any discovered cultural resources were to be evaluated for eligibility to the National Register of Historic Places (Register). To be eligible for the Register, the resource must retain essential aspects of integrity and meet one or more of the Criteria for Eligibility (36 CFR §60.4). For archaeological resources, eligibility is typically recommended under Criterion d, on the basis of the information potential of surface artifacts and features, and intact sub-surface cultural deposits. Historical resources may be evaluated under any of the four Criteria on the basis of information potential or significant historic associations.

ENVIRONMENT

This project is located in the southern edge of the Uintah Basin near the confluence of Willow Creek and the Green River. The location is near the Natural Buttes area, and Wild Horse Butte is about four miles to the south. This is an area of highly dissected buttes, benches and low hills. The well pad location is at the north edge of a low bench overlooking the Willow Creek drainage. The terrain around the project area is dominated by dissected buttes and benches and broad, flat-bottomed canyons. Local vegetation is predominantly open shadscale-saltbush shrubland. Vegetation cover averages 7-10%. Ground surface visibility was excellent for the discovery and identification of cultural resources.

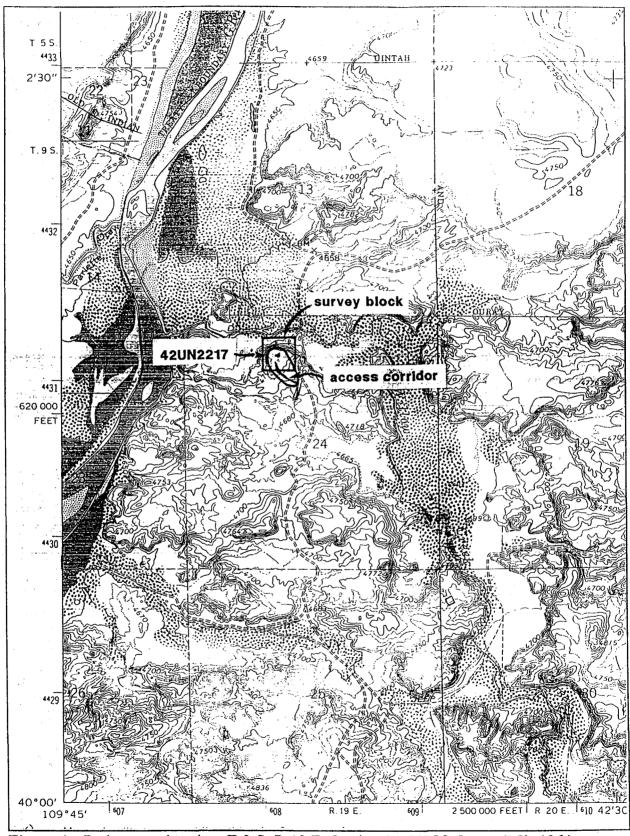


Figure 1: Project area location, T 9 S, R 19 E, Section 24, USGS Ouray, 7.5', 1964.

The soils are shallow, sandy residual soils with abundant lag gravels, broken by sandstone outcrops and localized sand shadows. Local bedrock is predominantly Eocene sandstones of the Uintah Formation (Hintze 1980). The broad drainage bottoms also have substantial deposits of unconsolidated Quaternary alluvium.

FILE SEARCH

A files search was conducted through the Utah Division of State History on 9 February 1995. The cultural resource files of the BLM Vernal District Office were also consulted. The file search indicated that no cultural resources have been recorded previously in this quarter section. However, several prehistoric lithic scatters have been recorded in the general area. Given the proximity of the locality to permanent water, and its proximity to the community of Ouray, the chances of discovering prehistoric or historical Native American cultural remains were considered good. A paleontological files search indicated that localities yielding Late Eocene turtle shell fragments and mammal bones (42UN637V and 42UN641V) have been reported from this legal section south and southeast of the present project area. The reported fossil localities are from geological strata above the present project, but indicate that there is a good chance of finding Eocene age fossils in the area.

FIELD METHODS

The 10 acre area surrounding the well pad center stake was surveyed by a series of parallel pedestrian transects walked at approximately 10-15 meter intervals. The portion of the access corridor that extends outside the 10 acre survey block was inspected using zig-zag pedestrian transects on each side of the staked centerline. Each side of the centerline received total coverage of 15 m (50 feet), for a total of 30 m (100 feet) survey corridor width. Special attention was paid to areas of enhanced subsurface visibility, such as eroded areas, rodent backdirt piles, road cuts and animal trails.

If cultural material was located, the area was examined closely until all surface manifestations had been identified and the resource adequately defined. Appropriate site and isolated find forms and other documentation were then completed, including plotting the resource on the proper USGS quadrangle. Sketch maps were prepared using a Brunton Pocket Transit and pacing for distances. Black and white photographs were taken of all the sites. Datums are white PVC pipe with a metal site tag embossed with the temporary site number.

RESULTS

The proposed well pad location and access corridor are located on a predominantly residual surface at the edge of a structural bench. The 10 acre survey block also includes portions of the Willow Creek drainage. A single sparse prehistoric lithic scatter mixed with fossil turtle shell fragments was found in the survey block (42UN2217). The site consists of sparsely scattered lithic debitage and turtle shell fossils on the top of the bench and on the ledges to the north. The bedrock forms some small overhangs along these ledges, and some artifacts are present outside the overhangs. However, there were no artifacts or indications of potential deposition within any of the overhangs. This site is discussed briefly below.

42UN2217 (MM-21095) This prehistoric lithic scatter is located on the top and north face of a structural bench overlooking the Willow Creek drainage. The observed artifacts consisted of widely dispersed quartzite and agate cores, tested pebbles, and reduction debitage of the same material type as the scattered lag gravels on the surface of the bench. Several small overhangs were inspected in the bedrock face of the bench. Artifacts were present in front of one of the overhangs, and there was a blackened area on the rock face near the drip line (possibly lichens). There were no artifacts or areas of deposition within the overhang. No formal tools, diagnostic artifacts or evidence of cultural features were found. There is also no indication of significant deposition at this locality that might contain buried cultural features or activity areas. There are no indications that this cultural resource locality has the potential to yield information important in prehistory. The scattered fragments of fossil turtle shell appeared to be coincident with the scattered lag gravels of quartzite and sandstone. The fossils were also lag deposits on the bedrock surface and no distinct bed or source was evident.

RECOMMENDATIONS

The proposed project area contains a dispersed surface scatter of tested lithic raw material and reduction debitage (42UN2217). This cultural resource site is recommended to be non-significant and not eligible for the National Register. The proposed undertaking will not adversely impact any significant cultural resources. Cultural resource clearance is recommended for the project as staked.

REFERENCES CITED

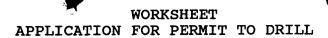
Hintze, Lehi F.

1980 Geologic Map of Utah. Utah Geological and Mineral Survey, Salt Lake City. UT.

Appendix
IMACS Site Form
(Limited Distribution)

A Wastewater Permit Application will be filed with the Uintah Basin District Health Department in Vernal once the drilling contractor has been determined.





API NO. ASSIGNED: 43-047-32671 APD RECEIVED: 03/03/95 WELL NAME: FEDERAL 3-24B DALEN RESOURCES (N3300) OPERATOR: INSPECT LOCATION BY: PROPOSED LOCATION: NENW 24 - T09S - R19E TECH REVIEW Initials SURFACE: 0850-FNL-1980-FWL Date BOTTOM: 0850-FNL-1980-FWL UINTAH COUNTY Engineering WEST WILLOW CREEK FIELD (692) Geology LEASE TYPE: FED Surface LEASE NUMBER: UTU-68625 PROPOSED PRODUCING FORMATION: GRRV LOCATION AND SITING: RECEIVED AND/OR REVIEWED: √ R649-2-3. Unit: <u>U74732/8</u>X √ Plat y Bond: Federal[y State[] Fee[] R649-3-2. General. (Number <u>*U-187011*</u>) $\sqrt{\text{Potash}}$ (Y/N) __ R649-3-3. Exception. Oil shale (Y/N)y Water permit (Number <u>43-8496</u> N RDCC Review (Y/N) _ Drilling Unit. Board Cause no: Date: ____ (Date: COMMENTS: STIPULATIONS:



State of Uta DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Ted Stewart **Executive Director** James W. Carter

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax) Division Director 801-538-5319 (TDD)

June 20, 1995

Dalen Resources Oil & Gas Company 6688 N. Central Expressway, Suite 1000 Dallas, Texas 75206

Federal #3-24B Well, 850' FNL, 1980' FWL, NE NW, Sec. 24, T. 9 S., R. 19 E., Re: Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32671.

Sincerely.

Associate Director

ldc

Enclosures

Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD



Operator:	Dalen Red	osurces C	0il & G	as Com	pany	,	
Well Name	& Number: _	Feder	al #3-2	24B			
API Numbe	er: <u>43-047</u>	-32671					
Lease:	UTU-68625						
Location:	NE NW	_ Sec	24	_ T	9 S.,	_ R	19 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

FORM 3160-3 (November 1983) (formerly 9-331C)

CONFIDENTIAL - TIGHT HOLE

5-1/2"

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATES

Other instructions on W

reverse sides

Form approved.

Rudget Bureau No. 1004-0136

Excires August 31, 1985

JUL 0 3 1995

LE SE DESIGNATION AND SERIAL NO.

900 cubic feet - circ to surf

UTU-68625
6. IP IDDIAN, ALLOTTEE OR TRIBE NAME

APPLICATION FOR PERMIT TO DRILL,	DEEPEN, O	RPLUG BACKMININ	IGN
1		THE THE TOTAL OF TAXABLE	

APPLICATION TOTT ETIMIT TO DIESE, -	DIV.	OF OIL GAS &	Althan	W.J.	
14. TYPE OF WORK DRILL X DEEPEN	Div.	PITIC BACK	-	7. UNIT AGREEMENT NAME	
Land Control of the C				West Willow Creel	k Unit
1b. TYPE OF WELL	SINGLE	MULTIPLE	ľ	8. FARM OR LEASE NAME	
OIL GAS				Federal	
WELL X OTHER	ZONE X	ZONE		reuci ai	
2. NAME OF OPERATOR 214/750-3800 66	88 N. Central	Expressway,		9. WELL NO.	
DALEN Resources Oil & Gas Co. Su	ite 1000 Dalla	s, TX 75206		#3-24B	
3. ADDRESS OF OPERATOR 303/452-8888 13	585 Jackson Dr	ive		O. FIELD AND POOL OR WILDCA	ΛT
PERMITCO INC Agent De	enver, CO 8024	1		Natural Buttes 630)
4. LOCATION OF WELL (Report location clearly and in accordance with any S	tate requirements.*)			11. SEC., T., R., M., OR BLK.	
050) TNIL and 1090) FWI		7.1		AND SURVEY OR AREA	
At proposed Prod. Zone NE NW Sec. 24, T9S - R19	K.E	Virtual engar		Sec. 24, T9S - R19	E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFIC	₽•			12. COUNTY OR PARISH	13. STATE
	-			Uintah	Utah
Approx. 6.4 miles to Ouray, UT	16. NO. OF ACRES IN	TEASE	17. NO	OF ACRES ASSIGNED TO THIS	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY	10. NO. OF ACKES II				
OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	126	7.58 acres	İ	160	
850'				TARY OR CABLE TOOLS	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL,	19. PROPOSED DEPT	н	20. KO	TART OR CABLE 10025	
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.			1 -	-4	
Approx. 2000'	540	0'	K	. otary 22. approx. date work will	QTART•
21. ELEVATIONS (Show whether DF, RT, GR, etc.)					
4723'				Upon Approval of the	nis Application
23. PROPOSED CASING	AND CEMENTING	PROGRAM			
SIZE OF HOLE SIZE OF CASING	WEIGHT/POOT	SETTING DEPTH		QUANTITY OF CEMENT	
12-1/4" 9-5/8"	36#	350'		110 sx circ to surf	

DALEN Resources Oil & Gas Co. proposes to drill a well to 5400' to test the Lower Green River E(2) Carb. formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

17#

See Onshore Order No. 1 attached.

7-7/8"

CONFIDENTIAL - TIGHT HOLE

5400'

Please be advised that DALEN Resources Oil & Gas Co. is considered to be the Operator of the above mentioned well. DALEN Resources Oil & Gas Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-187011. The principal is DALEN Resources Oil & Gas Co. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.	Hund	61	Sm. O'A	,	
SIGNED	Chi		July -		

Consultant for: TITLE DALEN Res. Oil & Gas

DATE 03/01/95

(This space for Federal or State office use)

PERMIT NO.

43-047-32671

APPROVAL DATE

TITLE YOR ESSISTANT DI

DATE JUN 2 7 1995

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Compa	ny/Oper	ator: DALEN Resources Oil & Gas Co.
Well N	ame & 1	Number: Federal 3-24B
API Nu	ımber:	43-047-32671
Lease 1	Number:	U-68625
Location	n: <u>NE</u>	<u>NW</u> Sec. <u>24</u> T. <u>9 S</u> R. <u>19 E</u>
		NOTIFICATION REQUIREMENTS
Location Construction	-	at least forty-eight (48) hours prior to construction of location and access roads.
Location Completion	-	prior to moving on the drilling rig.
Spud Notice	-	at least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing	-	at least twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Related Equipment Tests	-	at least twenty-four (24) hours prior to initiating pressure tests.
First Production Notice	-	within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COA's Page 2 of 7 Well: Federal 3-24B

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. <u>DRILLING PROGRAM</u>

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered</u>

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200' above the top of the Mahogany Oil Shale zone identified at \pm 2248'. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

COA's Page 3 of ⁷ Well: Federal 3-24B

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to the \pm 2048' and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

COA's Page 4 of 7 Well: Federal 3-24B

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated after installation prior to delivery and quarterly thereafter unless prior approval is obtained. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

COA's Page 5 of 7 Well: Federal 3-24B

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert

(801) 789-4170

Petroleum Engineer

Ed Forsman

(801) 789-7077

Petroleum Engineer

BLM FAX Machine

(801) 781-4410

COA's Page 6 of 7 Well: Federal 3-24B

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

COAs Page 7 of 7 Well: Federal 3-24B

SURFACE USE PLAN OF OPERATION

Conditions Of Approval (COAs)

A containment dike will be constructed to enclose the entire battery. The dike will be of sufficient size to contain at a minimum 1.5 times the content of the largest tank within the battery.

The pumping unit will be muffled.

The synthetic pit liner will meet the following minimum specifications:

Permeability:

10⁻⁷ cm/sec or less

Mullen Burst Strength:

300 psi

Tensile Grab Strength (Warp):

150 lbs 140 lbs

Tensile Grab Strength (Weft): Tear Strength (Warp):

40 lbs

Tear Strength (Weft):

50 lbs

Strength Retention:

>80% after 2000 hours

Prior to drilling the liner will be inspected and tested for leakage.

A closed production system is required. No surface pits will be approved.

No drilling shall occur from July 15 through November 1 due to potential presence in lower Willow Creek of Threatened and Endangered fish.

No blasting will occur from November 15 through April 15 to provide protection for roosting bald eagles.

In the event of a spill during drilling, maintenance equipment will be immediately available within the West Willow Creek Unit for the building of additional containment structures to the south of the location.

No fill or disturbed material will be pushed or allowed to fall over the steep slope on the north side of the location. The pad will not extend further than 150 feet north of the center stake.

The pad will be constructed with a 1% slope to the south insuring any fluids on the pad will run to the south.

A berm will be placed on the north side of the pad to insure fluid movement to the south.

DIVISION OF OIL, GAS AND MINING



SPUDDING INFORMATION

Name of Co	ompany: <u>DALEN RESOURCES</u>	3	
Well Name	:FEDERAL 3-24B		
Api No	43-047-32671		
Section	24 Township 9S	Range <u>19E</u>	County_UINTAH
Drilling (Contractor EXETER		
Rig #	8		
SPUDDED:	Date 11/7/95		
	Time 2:00 PM		
	How DRY HOLE		
Drilling '	will commence 11/10/9	5	
Reported :	by J. D. SMITH		
Telephone	· #		
Date:	11/8/95SI	GNED:	JLT

Form 3160-5 (June 1990)

DEPART OF THE INTERIOR BUREAU OF LAND MANAGEMENT NOV 1 6 1995

SUNDRY NOTICES.	AND	REPORTS	ON	WELLS
-----------------	-----	----------------	----	-------

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND RE	PORTS ON WELLS	ŲTU-68625
Do not use this form for proposals to drill or to de Use "APPLICATION FOR PERMIT		6: If Indian, Allottee or Tribe Name
SUBMIT IN TRIPL 1. Type of Well Oil Well Other 2. Name of Operator DALEN Resources Oil & Gas Co. 3. Address and Telephone No. 6688 N. Central Expwy., Suite 1000, Dallas, TX 75206 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 850' FNL & 1980' FWL NE/4 NW/4 Section 24, T9S-R19E	NR AR Bring Hand R G on	7. If Unit or CA, Agreement Designation West Willow Creek Unit 8. Well Name and No. Federal 3-24B 9. API Well No. 43-047-32671 10. Field and Pool, or Exploratory Area Natural Buttes 630 11. County or Parish, State Uintah County, Utah
	INDICATE NATURE OF NOTICE, REPO	
TYPE OF SUBMISSION	TYPE OF ACT	TION
Notice of Intent Subsequent Report Final Abandonment	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Well History	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log from.)
13. Describe Proposed or Completed Operations (Clearly state all pertine directionally drilled, give subsurface locations and measured an	ent details, and give pertinent dates, including estimated dat ad true vertical depths for all markers and zones pertinent to	e of starting any proposed work. If well is this work.)*

See attached drilling history.

	,	
14. I hereby certify that the foregoing is type and correct		
(This space for Federal or State office use)	Title Reg. Compliance Specialist	Date11/10/1995
Approved byConditions of approval, if any:	Title	Date
CC: Utah DOGM	1 WO II and a second of the	Nited States any false fictitious or fraudulent

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any statements or representations as to any matter within its jurisdiction.

West Willow Creek Unit Fed. #3-24B - DALEN Resources Oil & Gas Co. - Uintah County, Utah

Date of

Report Progress Since that Last Reported and Status as of 8:00 a.m. Today

11-8-95

INITIAL REPORT

API #4304732671

Contractor - Exeter Drlg. Co.

Location - 850 feet from the north line and 1,980 feet from the west

line of NE/4 NW/4 Sec. 24, T-9-S, R-19-E.

EEI WI - 82.5%

Projected TD - 5,400 feet

Moved in spudding unit, spudded the well at 2:00 p.m. on 11/7/95. Air drilled to 200

feet and shut down for night.

11-9-95

Drilled 210 feet to 410 feet with mist. Preparing to run 9-5/8" surface casing.

11-10-95

Ran and cemented 9-5/8" casing at 407 feet with 240 sacks of cement. Plug was down at 2:30 p.m.on 11/10/95. Drilled rat and mouse holes, rigged down spudding unit. Attempted to dig cellar with trackhoe without success--unable to dig through rock. Currently rigging up

Exeter rig.

ENTITY ACTION FORM - FORM 6

(3/89)

OPERATOR DALEN Resources Oil & Gas Co.

OPERATOR ACCT. NO. N 3300

ADDRESS 6688

6688 N. Central Expwy., Suite 1000

Dallas, TX 75206

ACTION	CURRENT	NEW	APT NUMBER	WELL NAME			WELL	OCATION		SPUD	EFFECTIVE
CODE	ENTITY NO.	ENTITY NO.			99	SC	TP	RG	COUNTY	DATE	DATE
A	99999	1	047-32671	Federal 3-24B	NW	24	98	19E	Uintah	11/07/95	
ELL 1 C	OMMENTS:		- 1.1 , 11	1 11 10 ac 1							
New W	ell		Enfity addica	/ 11-17-95. Lec		,					
LL 2 (COMMENTS:	, <u>*</u>									
					•					·	
ELL 3	COMMENTS:					. !	- I	.l. <u></u>	<u> </u>	······	
			·								
ELL 4	COMMENTS:										
			• ,								,
ELL 5	COMMENTS:										/
										10/	//
A	- Establish	h new entit wall to evi	s on back of form) y for new well (si sting entity (grou	ngle well only) on or unit well)	m P T T	TVI			Signature Regulator	y B. Le	ista
D	- Re-assin	n well from	one existing enti one existing enti onunents section)	ty to another existing entity ty to a new entity		۱۵۵۲			Complianc Title	e Specialis	
OTE:	Use COMMENT	section to	explain why each	Action Code was selected.	O NUV 16	- १४५७	A.		Phone No. (214) 692-4	300

Form 3160-5 (June 1990)

ED STATES IT OF THE INTERIOR DEPART BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

1	7	וייו	1	•	Ω	-	1	4
U	IJ	L	U	-6	ō	o	L	Ξ

Change of Plans

New Construction

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals NA 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE West Willow Creek Unit 1. Type of Well 8. Well Name and No. Gas \mathbf{x} Other Federal 3-24B 2. Name of Operator 9. API Well No. DALEN Resources Oil & Gas Co. 43-047-32671 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 6688 N. Central Expwy., Suite 1000, Dallas, TX 75206 Natural Buttes 630 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 11. County or Parish, State 850' FNL & 1980' FWL Uintah County, Utah NE/4 NW/4 Section 24, T9S-R19E CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION

Non-Routine Fracturing Plugging Back Final Abandonment Casing Repair Water Shut-Off Altering Casing Conversion to Injection X Other Well History Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log from.)

Abandonment

Recompletion

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

See attached drilling history.

Notice of Intent

X Subsequent Report

ue and correct DIV. OF OIL, GAS & MINING Title Reg. Compliance Specialist 11/20/1995 (This space for Federal or State office use) Approved by Conditions of approval, if any: CC: Utah DOGM Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

West Willow Creek Unit Fed. #3-24B - DALEN Resources Oil & Gas Co. - Uintah County, Utah

Date of

Report Progress Since that Last Reported and Status as of 8:00 a.m. Today

11-8-95 INITIAL REPORT

API #4304732671

Contractor - Exeter Drlg. Co.

Location - 850 feet from the north line and 1,980 feet from the west line of NE/4 NW/4 Sec. 24, T-9-S, R-19-E.

EEI WI - 82.5%

Projected TD - 5,400 feet

Moved in spudding unit, spudded the well at 2:00 p.m. on 11/7/95. Air drilled to 200 feet and shut down for night.

- 11-9-95 Drilled 210 feet to 410 feet with mist. Preparing to run 9-5/8" surface casing.
- 11-10-95 Ran and cemented 9-5/8" casing at 407 feet with 240 sacks of cement. Plug was down at 2:30 p.m.on 11/10/95. Drilled rat and mouse holes, rigged down spudding unit. Attempted to dig cellar with trackhoe without success--unable to dig through rock. Currently rigging up Exeter rig.
- 11-11-95 Dug cellar with jack hammers. Cut off casing, welded on casinghead and tested to 1,000 psi. Began rigging up Exeter rig, tested BOPs and related equipment to 3,000 psi, annular to 1,500 psi, casing to 1,500 psi. Finished rigging up Exeter rig. Currently washing down mouse hole.
- 11-12-95 Picked up bottomhole assembly, tagged cement at 363 feet. Drilled out shoe joint, then drilled 1,667 feet. Drilling at 2,077 feet in shale and sand.
- 11-13-95 Drilled 1,523 feet. Drilling at 3,600 feet in sandstone, lime and shale.
- 11-14-95 Drilled 1,015 feet. Drilling at 4,615 feet in sandstone, lime and shale.
- 11-15-95 Drilled 188 feet to 4,803 feet, circulated and conditioned 4-1/4 hours. Pulled out of hole, picked up core barrel and orientation tool. Went in hole and cut 36 feet of core No. 1 from 4,803 to 4,839 feet and barrel jammed. Pulled out of hole, recovered 36 feet of core being mostly shale with some lime stringers in bottom. Preparing to cut second core.

Federal 3-24B Page 2

- 11-16-95 Went in hole, circulated and conditioned. Cut 62 feet of core No. 2 from 4,839 to 4,901 feet. Pulled out of hole, recovered 62 feet of core. Picked up three drill collars, ran bit and washed to bottom. Drilled 340 feet. Drilling at 5,241 feet in sandstone, lime and shale.
- 11-17-95 Drilled 159 feet to 5,400 feet. Circulated and conditioned hole.

 Dropped survey, pulled out of hole to log. Ran Spectral Density,
 Gamma Ray, Caliper, and Dual Lateral log. Tripped in hole with bit.
 Rigged up and started running 5-1/2" casing.
- 11-18-95 Ran and cemented 5-1/2" casing at 5,399 feet with 863 sacks of cement. Circulated 28 barrels of good cement to surface. Bumped plug with 2,500 psi at 10:26 a.m. on 11/17/95, float held. Released rig at 1:00 p.m. on 11/17/95.

UTAH WELLS ENSERCH EXPLORATION, INC.

1/11/96

UNIT	WELL		LSE NO.	API NO.	QTR	SEC.	TWN	RANGE	COUNTY	7
					T ========		<u> </u>			1
**	Federal	21- 9H	U-50750	43-013-31458	NE NW	9	9\$	17E	Duchesne	
**	Federal	22- 9H	U-50750	43-013-31049	SE NW	9	9\$	17E	Duchesne	4
**	Federal	23- 9H	U-50750 v	43-013-31206	NE SW	9	98	17E	Duchesne	1
**	Federal	24- 9H	U-50750	43-013-30682	SE SW	9	98	17E	Duchesne	
**	Federal	33- 9H	U-61052 🗸	43-013-31108	NW SE	9	98	17E	Duchesne	1
	Federal	19- 1	U-13905	43-013 -30563	NW NW	19	9\$	17E	Duchesne	30587
	Govt. Fowler	20- 1	U-13905	43-013-30563	NW NW	20	9S	17E	Duchesne	,
	Federal	41- 30H	U-11385 V	43-013-30601	NE NE	30	98	17E	Duchesne	
	Federal	21- 15H	U-11385 V	43-013-30614	NE NW	15	98	17E	Duchesne]
**\$	Federal	3- 24B	UTU-68625	43-047-32671	NE NW	24	98	19E	Uintah	
***	Federal	5- 24B	UTU-68625	43-047-32447	SW NW	24	98	19E	Uintah	
***	Federal	11- 24B	UTU-68625 🕏	43-047-32223	NE SW	24	98	19E	Uintah	
***	Federal	13- 24B	UTU-68625 V	43-047-32418	SW SW	24	9\$	19E	Uintah	
***	Federal	15- 24B	UTU-68625	43-047-32420	SW SE	24	9S	19E	Uintah	
***	Federal	3- 25B	UTU- Y	43-047-32417		25	98	19E	Uintah	
***	Federal	7- 25B	UTU- V	43-047-3HOLO		25	98	19E	Uintah	
***	Federal	1- 26B	UTU-68625	43-047-32248	NE NE	26	98	19E	Uintah	6100
***	Federal	13- 26B	UTU-68625 V	43-047-32237	SW SW	26	98	19E	Uintah	
	Federal	41- 291	U-19267 🗸	43-047-32495	NE NE	29	98	18E	Uintah	
	Federal	33- 18J	U-16544	43-047-31200	NW SE	18	98	19E	Uintah	
	Federal	24- 34D	U-58546 🗸	43-047-31637	SE SW	34	88	18E	Uintah	
	State	2- 32B	ML-45172 🗸	43-047-32221	NW NE	32	98	18E	Uintah	
	State	5- 36B	ML-45173 V	43-047-32224	SW NW	36	9S	19E	Uintah	
	State	9- 36A	ML-45171 V	43-047-32225	NE SE	36	9\$	19E	Uintah	
	State	9- 36B	ML-45173 🗸	43-047-32249	NE SE	36	9S	19E	Uintah	
	State	31- 32D	ML-22058 Y	43-047 -32479	NW NE	32	8S	18E	Uintah	32500
I	State	1-16	ML-466944	43-013-15582	รพรพ	16	95	17E	DUCHESNE] SOW

Wells Draw Unit

BLM Unit No. UTU72613A

** Pleasant Valley Unit

BLM Unit No. UTU74477X

*** West Willow Creek Unit

BLM Unit No. UTU73218X

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

FEB | 2 1996

IN REPLY REFER TO: 3100 U-01470A et al UT-923

FEB 0 9 1990

NOTICE

Enserch Exploration, Inc. 4849 Greenville Ave., Suite 1200 Dallas, Texas 75206-4186

: Oil and Gas : U-01470A et al

Merger Recognized

Acceptable evidence has been filed in this office concerning the merger of DALEN Resources Oil & Gas Co. into Enserch Exploration, Inc. with Enserch Exploration, Inc. being the surviving entity.

For our purposes, the merger is recognized effective December 31, 1995 (Secretary of State's approval date).

The oil and gas lease files identified on the enclosed exhibit have been noted as to the merger. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field offices, you will be contacted by them.

If you identify other leases in which the merging entity maintains an interest, please contact this office and we will appropriately document those files with a copy of this notice.

By recognition of the merger, the principal/obligor is automatically changed by operation of law from DALEN Resources Oil & Gas Co. to Enserch Exploration, Inc. on Bond No. U1870111 (BIM Bond No. WY2554). This is a nationwide bond held in the Wyoming State Office. Enserch Exploration, Inc. has a nationwide bond, No. 203826 (BIM Bond No. MT0680) on file in the Montana State Office. Only one of the bonds is required to cover liabilities for lease obligations. However, both bonds will remain in effect until the principal/obligor advises the appropriate BIM State Office which bond it wishes to maintain and which bond it wishes to have the period of liability terminated. A rider, assuming any and all liabilities of the bond you wish to terminate must be submitted for approval to the appropriate BIM State Office. If you have any questions concerning the bonding, please contact Irene Anderson at (801) 539-4108.

/s/ ROBERT LOPEZ

Chief, Branch of Mineral Leasing Adjudication

Enclosure

1. Exhibit (1p)

Exhibit of Leases

U-01470A	U-0143521A	U-52765	UTU-68328
U-01790	U-0147541	U-55626	UTU-68330
U-02896A	U-0147541A	U-58546	UTU-68338
		- +	
บ-03505	U-2838	U-61052	UTU-68346
U-03576	U-7206	U-61189	UTU-68347
U-013429A	U-10291	U-62657	UTU-68348
U-013765	U-10760	UTU-65218	UTU-68388
U-013766	U-11385	UTU-65472	UTU-68402
U-013767	U-13905	UTU-65615	UTU-68544
U-013769	U-14236	UTU-65949	UTU-68548
U-013769A	U~15392	UTU-66004	UTU-68619
U-013769B	U-16535	UTU-66027	UTU-68624
U-013769C	U-16539	UTU-66033	UTU-68625
U-013792	U-16544	UTU-66184	UTU-68626
U-013793	U-17036	UTU-66185	UTU-68627
U-013793A	U-17424	UTU-66193	UTU-68631
U-013794	U-19267	UTU-66484	UTU-69024
U-013818A	U-30096	UTU-66743	UTU-69166
U-013820	U-39221	UTU-67168	UTU-69482
U-013821A	U-39713	UTU-67841	UTU-72104
U-017713	U-39714	UTU-67857	UTU-73087
U-035316	U-40026	UTU-67996	UTU-73089
U-037164	U-47171	UTU-67997	UTU-73433
U-0141644	U-49092	UTU-68108	UTU-73512
U-0143519	บ–50750	UTU-68109	UTU-74805
U-0143520A	U-51081	UTU-68316	UTU-74806
U-034217A	บ-07978	UTU-72108	UTU-74872

Wells Draw Unit (UTU-72613A)
West Willow Creek Unit (UTU-73218X)
Pleasant Valley Unit (UTU-74477X)



The State of Texas

SECRETARY OF STATE CERTIFICATE OF MERGER

The undersigned, as Secretary of State of Texas, hereby certifies that the attached Articles of Merger of

DALEN CORPORATION

a Delaware no permit corporation
with
ENSERCH EXPLORATION, INC.
a Texas corporation

have been received in this office and are found to conform to law. ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Merger.

Dated December 19, 1995.

Effective December 31, 1995 04:55 PM



coff.

Antonio O. Garza, Jr. Secretary of State

ARTICLES OF MERGER OF

DALEN Corporation

INTO

In the Office of the Secretary Chate of Texas

DEC 1 9 1995

Corporations Section

Enserch Exploration, Inc.

Pursuant to the provisions of Article 5.16 of the Texas Business Corporation Act, Enserch Exploration, Inc., a corporation organized under the laws of the State of Texas ("Parent Corporation"), and owning at least ninety percent of the shares of DALEN Corporation, a corporation organized under the laws of the State of Delaware ("Subsidiary Corporation"), hereby executes the following Articles of Merger:

- 1. The name of the Parent Corporation is Enserch Exploration, Inc. The name of the Subsidiary Corporation is DALEN Corporation. Enserch Exploration, Inc. is incorporated in Texas, and DALEN Corporation is incorporated in Delaware.
- 2. The following is a copy of resolutions of the Board of Directors of Enserch Exploration, Inc. or Parent Corporation ("Enserch") adopted on December 5, 1995:

"WHEREAS Section 5.16 of the Texas Business Corporation Act permits short-form mergers if the subsidiary is a foreign corporation and the parent is a Texas corporation, provided that this procedure is permitted by the laws of the foreign corporation's jurisdiction of incorporation and

"WHEREAS Section 253 of the General Corporation Law of Delaware provides for short-form mergers between a domestic subsidiary corporation and a foreign parent corporation,

"RESOLVED, That DALEN Corporation, a Delaware corporation ('DALEN'), which is a wholly-owned subsidiary of Enserch, merge with and into Enserch Exploration, Inc. pursuant to Section 5.16 of the Texas Business Corporation Act (the 'Merger'), effective as of 4:55 P.M., Dallas, Texas time, on December 31, 1995, and that Enserch Exploration, Inc. assume all of the obligations of DALEN at such time; and

"FURTHER RESOLVED, That the proper officers of this Company are hereby authorized and empowered to file with the Secretary of State of the State of Texas Articles of Merger and with the Secretary of State of Delaware a Certificate of Ownership and Merger to effect the Merger of DALEN into this Company and to take, or cause to be taken, all such further action and to execute and deliver or cause to be executed and delivered, in the name of and on behalf of this Company, all such further instruments and documents as any such officer may deem to be necessary or advisable in order to effect the purpose and intent of the foregoing resolutions and to be in the best interests of this Company (as conclusively evidenced by the taking of such action or the execution and delivery of such instruments and documents, as the case may be, by or under the direction of any such officer)."

3. The number of outstanding shares of each class of the Subsidiary Corporation and the number of shares of each class owned by the surviving Parent Corporation is:

Company	Class	No. of Shares Outstanding	No. of Shares Owned by Parent Corporation
Subsidiary Corporation	Common	100	100

The laws of Delaware, the jurisdiction under which Subsidiary Corporation is 4. organized, permit such a merger.

Dated this 12th day of December, 1995.

ENSERCH EXPLORATION, INC.

Bv:

Title: Vice President and Controller,

Chief Accounting Officer



I, ANTONIO O. GARZA, JR., Secretary of State of Texas, DO HEREBY CERTIFY that Articles of Merger of ENSERCH EXPLORATION, INC. (Charter No. 1323890-00), a TEXAS corporation, and DALEN CORPORATION, a DELAWARE (No Permit) corporation, were filed in this office on DECEMBER 19, 1995, for which a certificate of merger was issued; and that according to the terms of the merger the surviving corporation is ENSERCH EXPLORATION, INC., a TEXAS corporation.



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on December 19, 1995.

Antonio O. Garza, Jr.
Secretary of State

MAC



4849 Greenville Ave., Suite 1200 Dallas, Texas 75206-4186 214/369-7893

January 11, 1996

Bureau of Land Management Utah State Office 324 South State Salt Lake City, UT 84111

Attention: Mr. Chris Merritt

RE: Operator Name Change

Dear Mr. Merritt:

DALEN Resources Oil & Gas Co. has been merged into Enserch Exploration, Inc. effective January 1, 1996. Attached is a list of the properties that were operated by DALEN Resources and a copy of the Certificate of Merger from the Secretary of the State of Texas. Please change the operator name on these properties. Enserch Exploration, Inc. operates under Nationwide Bond No. 203826, BLM assigned No. MT-0680.

If you have any questions or need further information, please contact the undersigned at (214) 987-6363.

Very truly yours

Cindy R/Keister

Regulatory Compliance Specialist

CRK/ck

Attachments

cc: Vernal BLM Office w/attachments

Form 3160-4 (November 1983) (formerly 9-330)

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

SUBMIT IN DUP

(See other instructions on reverse side)

Form approved.

Budget Bureau No. 1004-0*5/
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

UTU-68625

	OMPLETION			IIUN	KEPUR	I AND LO	G *	NA	ALLOTTEE OR TRIBE NAM
la. TYPE OF		OIL GAS WELL WELL	. \square	DRY	Other			7. UNIT AGREE	
NEW X	WORK	DEEP- PLUC	1 1	DIFF.	Other			West Willow	
2. NAME OF OPE	RATOR		<u></u>	RESVR				6. FARM OR LE	ASE NAME
3. ADDRESS OF (urces Oil & Gas	Co.						9. WELL NO.	
	al Expwy., Suite	a 1000 Dallac	TV 750/	20		JAN 161	206	3-24B	
4. LOCATION OF		rly and in accordance with			 	JAN 1 O I	990		POOL, OR WILDCAT
At surface		350' FNL & 198						Natural Butt	es 630 m., or block and surve
At top prod.	interval reported)		Same	,	, .			OR AREA	
At total dept	h i i i i i i i i i i i i i i i i i i i	:	Same					Section 24, 1	9S-R19E
السيال مستقد الانا	A I II y ye		14. PE	RMIT NO.		DATE ISSUED		12. COUNTY OR	
				-047-32		06/27/9		PARISH Uin	tah Utah
15. DATE SPUDDED	16. DATE T.D. REA		E COMPL. (od.) 18.	ELEVATIONS (DF,			19. ELEV. CASINGHEAD
11/07/95 20. TOTAL DEPTH, b	11/17/9	, BACK T.D., MD s	12/16				23' GR		
5400'		, BACK T.D., MD 2 5288'		IF MULTI HOW MANY	IPLE COMPL.,	23. INTERV		ROTARY TOOLS	CABLE TOOLS
	RVAL(S), OF THIS CO		TTOM, NAME	(MD ANI	D TVD) +			X	25. WAS DIRECTIONAL
									SURVEY MADE
	Green River						/		No
26. TYPE ELECTRIC . Spectral Densit	AND OTHER LOGS RUN Y/GR/Caliper/	Dual Lateral Li	~ /OB /	```				27.	WAS WELL CORED
28.	sy/GR/Caliper/				- 2.7 - 4				Yes
CASING SIZE	WEIGHT, LB./F	T. DEPTH SE	E (MD)		LE SIZE	s set in we	MENTING RE	ECORD	AMOUNT PULLED
9-5/		36#	407'		12-1/4"	240sx Class	"G" w/a	dditives	
5-1/3	2"	17#	5399'		7-7/8"	863sx			
								 	
29.		LINER RECOR	D			30.	TU	BING RECORD	
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CED	ŒNT+	SCREEN (MD) SIZE		DEPTH SET (MO)	PACKER SET (MD)
						2-	7/8"	489	7' NA
DEPENDATION DEC	ODD Gatanti da								
I. FERTONALION REC	ORD (Interval, size and no	umber)			32.	ACID,	SHOT,	FRACTURE,	CEMENT
						NTERVAL (MD)	+	MOUNT AND KIND (
1836' - 4878'	85 Hole	es 2 SI	PF		<u>4836' - 48</u>	78'			-126 ball sealers
			-				sand	gais gei + 7	8000# 16/30
3.*		·							
ATE FIRST PRODUCTION	ON PRODUCTIO	N METHOD (Flowing, ga	s lift, pumping	PRODUC -size and t	TION type of pump)			WELL STAT	US (Producing or
12/16/95		Pun	nping 2-1	/2" x 1	1-1/2" x 16	S' RHAC		shut-i	-
ATE OF TEST 12/21/95	HOURS TESTED	CHOKE SIZE	PROD'S		OILBBL.	GASHCF.		ATERBBL.	GAS-OIL RATIO
LOW. TUBING PRESS.	CASING PRESSURE	CALCULATED	01LB	<u> </u>	129	5		3	
		24-HOUR RATE		129	GASMC	r. 50	WaterBB	3. OIL	GRAVITY-API (CORR.)
	AS (Sold, used for	fuel, vented, et	·a.)		· · · · · · · · · · · · · · · · · · ·			TEST WITNE	SED BY
/ented								Randy M	liller
5. LIST OF ATTACHME	NIS -	2							
. I hereby certify	that the foregoing	and attached and	ormation :	g comple	ete and accord	unt an determine	1 Su		
/ /	- //Z	1			mid COLL	as determine	rrom all	avaltable recor	cas .
	in Jank								
SIGNED	(MM) /	Mole	TITLE	Regu	ılatory Compi	iance Specialist		DATE	01/10/1996

PORGATION TOP BOTTOM DESCRIPTION CONTENTS, FIC. MAME MAKE DEPTH VARTINGE VARTINGE	drill-stem, tests, recoveries):	including depth int	Lerval tested, cush	drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and	38. G	GEOLOGIC MARKERS	
NAME	FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.			AC
E2 4714 4882 Oil gas & water Douglas Crete Muriner 415					NAME	MEAS. DEPTH	
F Marker 440 P.	E2	4714	4882	Oil, gas & water	Douglas Creek Marker		4156'
Basal Imestone S222					E2		4714'
Basal Limestone 5222			· · · · · · · · · · · · · · · · · · ·		F Marker		48
		,			Basal Limestone		14882
							•
							·.

FEDERAL 3-24B

WEST WILLOW CREEK UNIT

Uintah County, Utah

Spud:

11/7/95

TD Date:

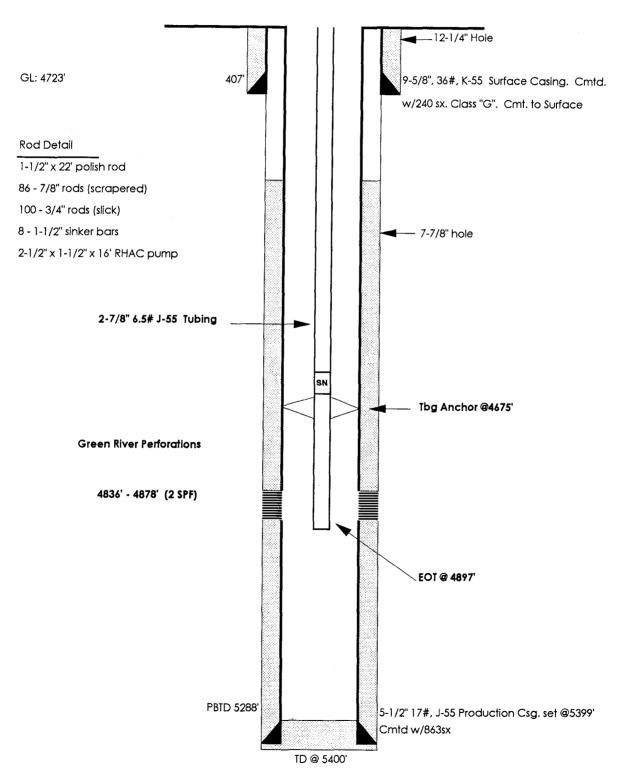
11/17/95

Compl. Date: 12/16/95

Sec 24-T9S-R19E

850' FNL & 1980' FWL

NE/4 NW/4



Form 3160-5 (June 1990)

DEPAR ENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

-

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No

SUNDRY NOTICES AND F	REPORTS ON WELLS	11T1 69625
Do not use this form for proposals to drill or to Use "APPLICATION FOR PERM	deepen or reentry to a different reservoir.	UTU-68625 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRII		NA 7. If Unit or CA, Agreement Designation
1. Type of Well Oil Well Well Other	LICATE	West Willow Creek Unit 8. Well Name and No.
2. Name of Operator DALEN Resources Oil & Gas Co. 3. Address and Telephone No.	JAN 16 1996	Federal 3-24B 9. API Well No. 43-047-32671
6688 N. Central Expwy., Suite 1000, Dallas, TX 7520)6	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)	70	Natural Buttes 630
850' FNL & 1980' FWL NE/4 NW/4 Section 24, T9S-R19E		11. County or Parish, State Uintah County, Utah
12. CHECK APPROPRIATE BOX(s) T	O INDICATE NATURE OF NOTICE, REPO	
TYPE OF SUBMISSION	TYPE OF AC	
X Notice of IntentSubsequent ReportFinal Abandonment	. Abandonment Recompletion Plugging Back Casing Repair Altering Casing X Other Vent gas	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection
Describe Proposed or Completed Operations (Clearly state all pertindirectionally drilled, give subsurface locations and measured a DALEN Resources requests approval to vent gas beyon MCFD. We are unable to turn the well into the gas gat	nent details, and give pertinent dates, including estimated dat and true vertical depths for all markers and zones pertinent to d 30 days or 50 MMCF. The Federal 3-24B is	this work.)* s producing approximately 50-55
	and the second data modifications have been in	add to the system.
14. I hereby certify that the foregoing is true and correct		
Admir ario torofantik id nam atta matter		

Signed _______ Title ____ Reg. Compliance Specialist (This space for Federal or State office use)

Approved by ______ Title _____

Date ____01/10/1996

Date

Conditions of approval, if any:

CC: Utah DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

•				
	on of Oil, Gas and Miding TOR CHANGE HORKSHEET		(MERGER)	Routing:
Initial	all documentation received by the divisi each listed item when completed. Write	N/A if item is not applic		2_ DF\$/37-FILM 3_ VLD*8-FILE 4_RJF/
CX Cha □ Des	nge of Operator (well sold) ignation of Operator	□ Designation of □ Operator Name	Agent Change Only	5- LISTUS 6- SJ
	perator of the well(s) listed bel)
TO (ne	ew operator) (address) STE 1200	(address) 6688 N DALLAS CINDY N phone (TX 75206-3922	
He]](s	(attach additional page if needed):			
Name: Name: Name: Name:	** SEE ATTACHED ** API: API: API: API: API: API: API: API: API:	Entity: Entity: Entity: Entity: Entity: Entity:	SecTwpRng_ SecTwpRng_ SecTwpRng_ SecTwpRng_ SecTwpRng_	Lease Type: Lease Type: Lease Type: Lease Type: Lease Type:
<u>lec</u> 1.	OR CHANGE DOCUMENTATION (Rule R615-8-10) Sundry or ot operator (Attach to this form).	[Recd 1-22-96]		
	(Rule R615-8-10) Sundry or othe (Attach to this form). (feed 1-2	r <u>legal</u> documentation 2 <i>-96</i>)	n has been received	d from <u>new</u> operator
<u>Le</u> c3.	The Department of Commerce has operating any wells in Utah. yes, show company file number:	been contacted if the Is company registere #171513 (xff 1-4-	e new operator aboved with the state?	/e is not currently (yes/no) If
Lec4.	(For Indian and Federal Hells (attach Telephone Documentatio comments section of this form. changes should take place prior	n Form to this rep Management review	ort). Make note of Federal and In	of BLM status in dian well operator
4	changes should take place prior Changes have been entered in the listed above. (2-12-96)			
Lig 6.	Cardex file has been updated for	r each well listed ab	ove. (2-12-96)	
Le 7.	Cardex file has been updated for Well file labels have been updat	ted for each well lis	ted above. $(2-12\overline{90})$,7
57	Changes have been included on to for distribution to State Lands	the monthly "Operator	, Address, and Acc	

LC9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

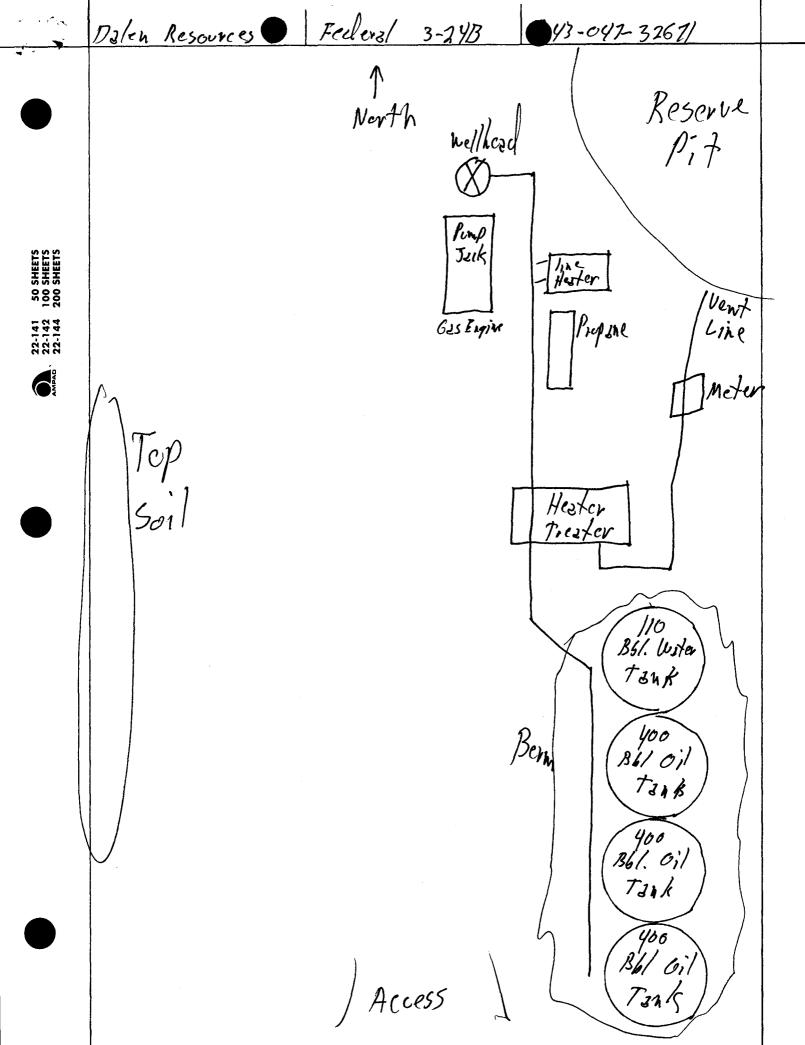
OPERATO	R CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.
ENTITY	REVIEH
<u>Le</u> 1.	(Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
N/H 2.	State Lands and the Tax Commission have been notified through normal procedures of entity changes.
BOND VI	ERIFICATION (Fee wells only) Trustlands / Bond & Lease upolete in progress!
1/	(Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
<u>NA</u> 2.	A copy of this form has been placed in the new and former operators' bond files.
N/A 3.	The former operator has requested a release of liability from their bond (yes/no) Today's date 19 If yes, division response was made by letter dated 19
LEASE I	INTEREST OWNER NOTIFICATION RESPONSIBILITY
p(3)	(Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 19, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
<u>M/N</u> 2.	Copies of documents have been sent to State Lands for changes involving State leases .
FILMING	: YS refilmed w/off conf 1-30-97
KOTT.	All attachments to this form have been microfilmed. Date: March 1990.
FILING	
1.	Copies of all attachments to this form have been filed in each well file.
	The <u>original</u> of this form and the <u>original</u> attachments have been filed in the Operator Change file.
COMMENT	S
9602	12 Blm/SL aprv. eff. 12-31-95.

WE71/34-35

EQUIPMENT INVENTORY UTAH DIVISION OF OIL, GAS AND HINING STATE OF UTAH

The second

Oper	ator: <u>DALEN RESOURCES</u> Lease: State: Federal: <u>X</u> Ind	ian: Fee:
Well	Name: FEDERAL 3-24B API Number: 43-	047-32671
Sect:	ion: <u>24</u> Township: <u>95</u> Range: <u>19E</u> County: <u>UINTAH</u> Field	: NAT. BUTTES
Well	Status: PGW Well Type: Gil: X Gas:	
PROD	UCTION LEASE EQUIPMENT: (NUMBER)	
	Boiler(s): Compressor(s): Separator(s): Dehy	drator(s);
	Shed(s): Line Heater(s):_1	: VRU:
	Heater Treater(s): 1	
PUMP	5 2	
	Triplex: Chemical: 2	
LIFT	METHOD:	
	Pumpjack: X Hydraulic: Submersible: F	lowing:
GAS I	EQUIPMENT: (NUMBER)	
	Purchase Meter: Sales Meter:1	
TANK	S: NUMBER SIZE	
	Oil Storage Tank(s): 3 400	BBLS
	Water Tank(s): 1 110	BBLS
	Power Water Tank:	BBLS
	Condensate Tank(s):	BBLS
	Propane Tank: 1	
Centi	ral Battery Location: (IF APPLICABLE)	
	Otr/Otr: Section: Township: Renge:	
	RKS: CASINGHEAD GAS IS USED AS FUEL GAS WITH EXCESS BEI ED. RESERVE PIT IS OPEN WITH 600 BBLS. FLUID PRESENT.	NG METERED AND
Inspe	ector: DAVID W. HACKFORD Date: 2/22/96	



1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

Page 4 of 4

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:			UTAH ACCOUNT NUMBER:						
DEBYE YADON ENSERCH EXPLORATION INC 6688 N CENTRAL EXP #100 DALLAS TX 75206-3922				ORT PERIOD (MONTH	H/YEAR): 9 / 96 Highlight Changes)				
Well Name	Producing	Well	Days		Production Volumes				
API Number Entity Location	Zone	Status	Oper	OIL(BBL)	GAS(MCF)	WATER(BBL)			
FEDERAL 15-24B		Duncus	- Open	J GID(BBC)	GAB(NICI)	WATER(BBL)			
4304732420 11509 09S 19E 24	GRRV		į						
FEDERAL 5-24B		 							
4304732447 11585 09S 19E 24	GRRV	Ì	ĺ						
STATE 31-32		 	 	 					
4304732500 11645 08S 18E 32	GRRV		-						
FEDERAL 41-29		 							
4304732495 11646 09S 18E 29	GRRV		ļ	į					
FEDERAL 21-9H			 		-				
4301331458 11676 09S 17E 9	GRRV		ĺ						
FEDERAL 14-9H									
4301331459 11677 09S 17E 9	GRRV								
DERAL 21-8H						·			
+301331460 11687 09S 17E 8	GRRV								
FEDERAL 3-24B									
4304732671 11854 09\$ 19E 24	GRRV								
Federal 1-26B		1							
<u> 4304732248 11380 95 19E 26</u>	WSTC	16IW	-						
		<u> </u>							
			TOTATE		•				
			TOTALS						
OMMENTS:									
			· · · · · · · · · · · · · · · · · · ·						

						,			
Leseby certify that this report is true and complete to t	he best of my	y knowledge	2 .	Da	ıte:				
		÷							
ame and Signature:					Telephone Number:				
12/93)									

DIVISION	I OF OIL, GA	итили она г.	OPERATORCNG	PRODUCI	NG	OPERATOR ACCT. NO. N 0605					
ENTITY	VACTION F	ORM - FORM	6	ADDRESS	· · · · · · · · · · · · · · · · · · ·						
		• .		-				 	_		
ACTION CODE	CURRENT	NEW ENTITY NO.	API HUNBER	WELL NAME		,	, WELL	LOCATION		SPUD	EFFECTIVE
D	11585	12029	43-047-32447	FEDERAL 5-24B	00	32	TP	RG	COUNTY	DATE	DATE
	1	<u> </u>				24	98	19E	UINTAH		10-3-96
11626 1 6	- CHINEIAI 2.	*PER OPER (WEST WI	ATOR; GROUP WEI LLOW CREEK UNIT	LLS TOGETHER UNDER A COMMON	ENTITY	NUMBE	R FOR	REPORT	TING PURPOSES	} .	
	Υ	Υ	T			,		~~~~			
D	11854	12029	43-047-32671	FEDERAL 3-24B		24	9S	19E	UINTAH		10-3-96
WELL 2 (COMMENTS:				<u>-</u>	<u>'</u>			<i>J</i>		<u> </u>
D	11380	12029	43-047-32248	FEDERAL 1-26B (GIW)		26	98	19E	UINTAH -	***************************************	10-3-96
WELL 3	COMMENTS:	· · · · · · · · · · · · · · · · · · ·	·	,			_[1	<u> </u>		<u> </u>
!						•					
			T			1	γ			-	
WELL 4 (COMMENTS:						**	i	·		
											· · · · · · · · · · · · · · · · · · ·
WELL 5 (COMMENTS:	<u> </u>	1			<u> </u>	<u> </u>	<u> </u>			
				• •				ė			
16770)	
A	- Establish	new entity	on back of form) for new well (sing	le well only)					L. CORDOVA	(DOGM)	
Ĺ	- Re-assion	i well tram	ting entity (group one existing entity one existing entity	to southou evicting antitu					Signature		11 7 0
Ë	- Other (ex	plain in co.	numents section)	to a new entity					ADMIN. ANAI	115T	11-7-9
HOTE: L	Jse COMMENT	section to	explain why each Ac	tion Code was selected.					Phone No. ()	

(3/89)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

IN REPLY REFER TO UT-931

October 3, 1996

CNG Producing Company 1450 Poydras Street New Orleans, Louisiana 70112-6000

Re:

West Willow Creek Unit

Uintah County, Utah

Gentlemen:

On October 2, 1996, we received an indenture dated September 24, 1996, whereby Enserch Exploration, Inc. resigned as Unit Operator and CNG Producing Company was designated as Successor Unit Operator for the West Willow Creek Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the West Willow Creek Unit Agreement. The instrument is hereby approved effective October 3, 1996.

Your nationwide (Wyoming) oil and gas bond No. 1898 will be used to cover all operations within the West Willow Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks Group Leader, Mineral Resources Group

Enclosure

bcc:

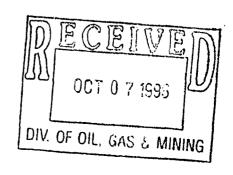
District Manager - Vernal (w/enclosure)

Division of Oil, Gas & Mining Minerals Adjudication Group

File - West Willow Creek Unit (w/enclosure)

MMS - Data Management Division

Agr. Sec. Chron Fluid Chron



Page No. 10/03/96

1

WELL STATUS REPORTS UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE	NAME		OPERATOR	
											*	
** INSPECTION ITEM UTU73	218A	WEST WIL	LOW CRE	EK G	R A							
UTU73218A	430473224800s1	1-26B	NENE	26	9s	19E	GIW	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473222300s1	11-24B	NESW	24	9s	19E	POW	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473241800\$1	13-24B	SWSW	24	9s	19E	OSI	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473242000\$1	15-24B	SWSE	24	9s	19E	POW	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473267100s1	3-248	NENW	24	9\$	19E	POW	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473241 700 \$1	3-25B	NENW	25	9s	19E	POW	UTU39221		ENSERCH	EXPLORATION	INC
UTU73218A	430473244700s1	5-24B	SWNW	24 9	98	19E	POW	UTU68625		ENSERCH	EXPLORATION	INC
UTU73218A	430473040600s1	7-25	SWNE	25 9	9S	19E	POW	UTU39221		ENSERCH	EXPLORATION	INC

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different

FORM APPROVED	
Budget Bureau No. 1004-0135	
Expires: March 31, 1993	
5. Lease Designation and Serial No.	

1	ſ	ľ	Γì	1	J_1	6	Q	6	7	5
	ι.	, ,		Ι.	-	•	Λ	13	/.	- 1

6.	If	Indian.	Allotte	e or	Tribe	Name

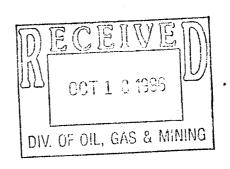
reservoir. –	N/A
SUBMIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well	West Willow Creek Unit
Oil Gas Well Other	8. Well Name and No.
2. Name of Operator	Federal #3-24 B
Enserch Exploration, Inc.	9. API Well No.
3. Address and Telephone No.	43-047-32671
6688 N. Central Expressway, Suite 1000, Dallas, Texas 75206	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)	West Willow Creek
	11. County or Parish, State
50' FNL & 1980' FWL, NE/4 NW/4, Section 24-T9S-R19E	Uintah County, Utah

CHECK APPROPRIATE ROX(s) TO INDICATE NATURE OF NOTICE REPORT OR OTHER DATA

12.	OTILOR ATTROTRIATE BOX(S)	TO INDICATE NATURE OF NOTICE, REP	ONI, ON OTHER DATA	
	TYPE OF SUBMISSION	TYPE OF ACTION		
		Abandonment Recompletion Plugging Back Casing Repair Altering Casing X Other Change of Operator	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Enserch Exploration, Inc. has sold its interest in the Federal #3-24B to CNG Producing Company and relinquishes operations effective September 7, 1996. CNG Producing Company operates under BLM Nationwide Bond No. WY-1898.



14. I hereby certify that the foregoing is true and corre		
Signed / HUMA / / WWY	Title Production Analyst	Date10/15/1996
(This space for Federal or State office use)		
Approved by	Title	Date
Conditions of approval, if any:		
C: Utah DOGM	,	

U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CNG Producing Company

A CNG COMPANY

CNG Tower 1450 Poydras Street New Orleans, LA 70112-6000 (504) 593-7000

October 30, 1996

Ms. Lisha Cordova Utah Board of Oil Gas & Mining 355 West North Temple 3 Triad Center - Suite 350 Salt Lake City, Utah 84180-1203

RE: Transfer of Operator for

West Willow Creek

Dear Ms. Cordova:

Attached please find a Sundry Notice Report requesting Change of Operator to CNG Producing Company for each of the following wells within the West Willow Creek Unit:

WWC 3-24B	Sec. 24-T9S-R19E	WWC 15-24B	Sec. 24-T9S-R19F
WWC 5-24B	Sec. 24-T9S-R19E	WWC 3-25B	Sec. 25-T9S-R19E
WWC 11-24B	Sec. 24-T9S-R19E	WWC 7-25B	Sec. 25-T9S-R19E
WWC 13-24B	Sec. 24-T9S-R19E	WWC 1-26B	Sec. 26-T9S-R19E

Also attached are Sundry Notices for the remaining wells outside the unit participating area:

FED 33-18J	Sec. 18-T9S-R19F	STATE 5-36B	Sec. 36-T9S-R19E
	000: 10 100 11102	017/1E 0-30D	360. 30-133-K 13E
FED 13-26B	Sec. 26-T9S-R19E	STATE 9-36A	Sec. 36-T9S-R18E
STATE 2-32B	Sec. 32-T9S-R19E	STATE 9-36B	Sec. 36-T9S-R19F

These reports are being filed in triplicate for your convenience. If you have any questions or need further information, please contact me at (504) 593-7260. Thank you for you cooperation in this matter.

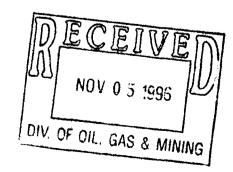
Sincerely,

Susan H. Sachitana

Coordinator, Regulatory Reports

cc: Wayne Bankart - BLM Ed Amrock

Ann Burnside
Scot Childress
Brian Coffin
Virginia Corpening
Nelda Decker
Well History Files



Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictulous or

certify that the applicant holds legal or equitable title to those rights in the subject lease

fraudulent statements or representations as to any matter within its jurisdiction.

which would entitle the applicant to conduct operations thereon

OPERATOR CHANGE WORKSHEET Attach all documentation received by the division regarding this change.	Routing 1-LEC 6-LEC 2-GLD 7-KDR 3-DFS775 /8-SJ
Initial each listed item when completed. Write N/A if item is not applicable.	4-VLD 9-FILE
Change of Operator (well sold) Designation of Agent Operator Name Change Only	5-RJF 🗸
The operator of the well(s) listed below has changed, effective:	
TO: (new operator) CNG PRODUCING (address) CNG TOWER-1450 POYDRAS ST NEW ORLEANS LA 70112-6000 FROM: (old operator) ENSERG (address) 6688 INDALLAS	N CENTRAL EXP #1000
- ···	: <u>(214)692–4440</u> nt no. N4940
WELL(S) attach additional page if needed: WEST WILLOW CREEK UNIT **GIW	
Name: FEDERAL 11-24B/GRRV API: 43-047-32223 Entity: 11375 S 24 T 9S FAME: FEDERAL 13-24B/GRRV API: 43-047-32418 Entity: 11507 S 24 T 9S FAME: FEDERAL 15-24B/GRRV API: 43-047-32420 Entity: 11509 S 24 T 9S FAME: FEDERAL 3-24B/GRRV API: 43-047-32417 Entity: 11854 S 24 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: FEDERAL 3-25B/WSTC API: 43-047-32417 Entity: 11465 S 25 T 9S FAME: 43-047-32417 E	19E Lease: UTU68625 19E UTU39221 19E UTU392
1. (r649-8-10) Sundry or other legal documentation has been received from (attach to this form). (fee'd 10-18-96) 2. (r649-8-10) Sundry or other legal documentation has been received from the to this form). (fee 10-7-96) (fee 24-96) (lee'd 10-31-96)	
3. The Department of Commerce has been contacted if the new operator above is any wells in Utah. Is the company registered with the state? (yes/no) file number:	s not currently operating
4. FOR INDIAN AND FEDERAL WELLS ONLY. The BLM has been contacte Make note of BLM status in comments section of this form. BLM approval of operator changes should ordinarily take place prior to the division's appropriate completion of steps 5 through 9 below.	Federal and Indian well
5. Changes have been entered in the Oil and Gas Information System (3270) for (11-7-96) * (11-7-96) * (11-7-96) 6. Cardex file has been updated for each well listed above. (11-7-96)	r each well listed above.
7. Well file labels have been updated for each well listed above. (11-7-96)	
8. Changes have been included on the monthly "Operator, Address, and Accordistribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. 6	unt Changes" memo for

9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

Form 3180-5 (NOVEMBER 1884)

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant



FORM APPROVED

	UNITED STAT			OMB No. 1004-0136
	DEPARTMENT OF THE			EXPIRES: July 31, 1890
	BUREAU OF LAND MA	NAGEMENT		5. Lease Serial No.
				UTU-88625
8	UNDRY NOTICES AND REF	PORTS ON WELLS	4	6. It Indian, Allottee or Tribe Name
Do not use t	his form for proposals to dr	ill or to deepen or re-	enper an	do it terminal uninequal as states manites
<u>ubando</u>	ned well. Use form 3160-3 (APD) for such propor	6815.	={
SUBMI	T IN TRIPLICATE - Other ins	truction on reverse s	IIGe	7. If Unit of CA/ Agreement, Name and/or No.
t, Type of Well		-		1. If Olik Bs Can Adjustment's Jamina and and the
Oil Well X Gas Well	<u> </u>	Other		WEST WILLOW CREEK
2. Name of Operator				8. Well Name and No. 3-24B
CNG PRODUCING COMPA	4 Y			
Sa. Address		35, Phone No. (Include an	pa code)	9, API Well No. 43-047-32671
1450 POYDRAS ST, NEW C	RLEANS, LA 70112-6000	(504) 583-7000		· · · · · · · · · · · · · · · · · · ·
i, Location of Well (Footage, Sec., T., R				10. Field and Pool, or Exploratory Area
			,	11. County or Parish, State
800' FNL & 1,980' FWL	of Sec. 24-T9S-R19E			UINTAH, UTAH
12. CH	ECK APPROPRIATE BOX(E	ES) TO INDICATE NA	TURE OF NOTICE, REPOR	II, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
		_		
	Acklibe	Despen	Production (Start/Resume)	Weter Shut-Off
Notice of Intent		-		The state of the s
	Atter Casing	Fracture Treat	Reclamation	Well Integrity
X Subsequent Report		_		X Othe SUMMARY OF OPERATIONS
	Casing Repair	New Construction	Recomplete	X Othe SUMMARY OF OPERATIONS
Final Abandonment Notice		- -		
	Change Plans	Plug and Abandonment	Temporerily Abendon	
		=	r1	
	Convert to Injection	Plug Back	Wuter Disposal	
				proposed work and approximate duration thereof,
If the proposal is to deepen dire Attach the Bond under which the following completion of the invol teating has been completed. Fit determined that the site is read;	ectionally or recomplete horizontal e work will be performed or proving hed operations. If the operation inel Abandonment Notices shall be y for final inspection.) NS 9/29/97 ne and 1500 gallon 15% HCL	ally, give subsurtace tocal de the Bond No. on file w results in a multiple com be filed only after all requ	with BLM/BIA. Required subsequently in the subsequently pletion or recompletion in a new sirements, including reclamation	tical depths of all pertinent markers and zones. uent reports shall be filed within 30 deys interval, a Form 3160-4 shall be filed once have been completed, and the operator has reatment. Repair new pump and rods.
, <u>V</u>				
14. I hereby certify that the for	going is true and correct		Title	
Name (Printed/Typed)			1 KIO	
			PEGULATORY REP	ORTS ADMINISTRATOR
SUSAN H. SACHITANA				
SIGNATURE	0 1 3 1		Date	

certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Title 16 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitio fraudulent statements or representations as to any matter within its jurisdiction.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

FORM APPROVED	
OMB No. 1004-0135	

	ONTEDOTATEO		FORM APPROVED
	DEPARTMENT OF THE INTERIOR		OMB No. 1004-0135
	BUREAU OF LAND MANAGEMENT		EXPIRES: July 31, 1996
			5. Lease Serial No.
:	SUNDRY NOTICES AND REPORTS ON WELLS		UTU-68625
Do not use	this form for proposals to drill or to deepen or	re-enter an	6. If Indian, Allottee or Tribe Name
abando	oned well. Use form 3160-3 (APD) for such pro	posals.	
SUBM	IT IN TRIPLICATE - Other instruction on revers	e side	
1. Type of Well Oil Well X Gas We	di Other		7. If Unit or CA/ Agreement, Name and/or No. WEST WILLOW CREEK
2. Name of Operator			8. Well Name and No.
CNG PRODUCING COMPA	.NY		3-24B
3a. Address	3b. Phone No. (include	e area code)	9. API Well No.
1450 POYDRAS ST, NEW	ORLEANS, LA 70112-6000 (504) 593-7000)	43-047-32671
4. Location of Well (Footage, Sec., T., F	ł., M., or Survey Description)		10. Field and Pool, or Exploratory Area
800' FNL & 1,980' FWL	. of Sec. 24-T9S-R19E		11. County or Parish, State UINTAH, UTAH
12. CH	ECK APPROPRIATE BOX(ES) TO INDICATE I	NATURE OF NOTICE, REPO	ORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Notice of Intent	Acidize Deepen	Production (Start/Resume)	Water Shut-Off
	After Casing Fracture Treat	Reclamation	Well Integrity
X Subsequent Report	Casing Repair New Construction	Recomplete	X Othe SUMMARY OF OPERATIONS
Final Abandonment Notice	Change Plans Plug and Abandonmen	nt Temporarily Abandon	
	Convert to Injection Plug Back	Water Disposal	•
If the proposal is to deepen direct Attach the Bond under which the following completion of the involvesting has been completed. Fir determined that the site is ready		ations and measured and true ve with BLM/BIA. Required subsect impletion or recompletion in a new	ertical depths of all pertinent markers and zones. Quent reports shall be filed within 30 days or interval, a Form 3160-4 shall be filed once
SUMMARY OF OPERATION	4S 9/2 9 /97		
Performed 1500 gallon Xylen Released rig and returned we	ne and 1500 gallon 15% HCL acid treatment. Swall to production.	abbed back 150 bbls of acid t	
			SEP 25 1998
			DIV. OF OIL, GAS & MINING
14. I hereby certify that the forge	oing is true and correct		
Name (Printed/Typed)	V	Title	
SUSAN H. SACHITANA		REGULATORY REPO	ORTS ADMINISTRATOR
Şi q nature /	^	Date	
Susan N. S	achitara _	980923	
			

Conditions of approval, if any, are attached. Approval of this notice does not warrant Office certify that the applicant holds legal or equitable title to those rights in the subject lease

Approved by

which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitio fraudulent statements or representations as to any matter within its jurisdiction.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Date

Title

Form 3160-5 (NOVEMBER 1994)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

	OMB No. 1004-0135
	EXPIRES: July 31, 1996
e Serial No.	

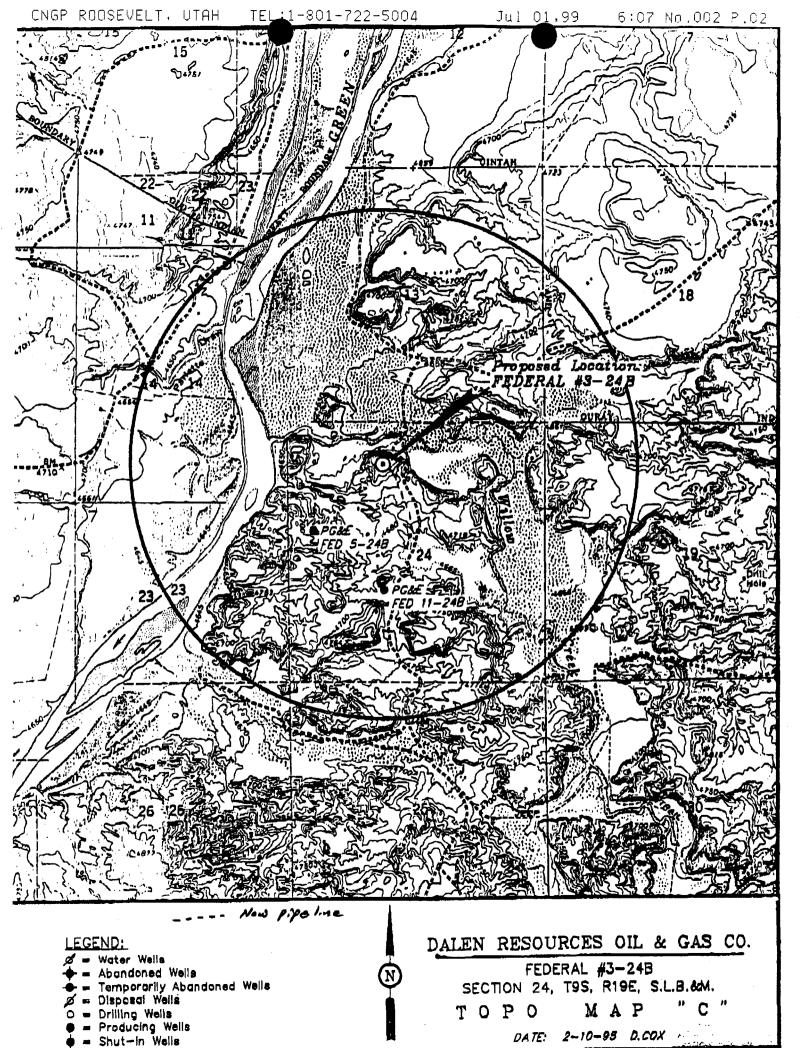
			5. Lease Serial No.	
\$	SUNDRY NOTICES AND REPORTS ON	WELLS	U-013794	
Do not use t	his form for proposals to drill or to de	epen or re-enter an	6. If Indian, Allottee or Tribe Name	
abando	ned well. Use form 3160-3 (APD) for s	uch proposals.		
SUBMI	T IN TRIPLICATE - Other instruction o	n reverse side		
Type of Well Oil Well X Gas Well	l Other		7. If Unit or CA/ Agreement, Name and/or No. RIVER BEND UNIT	
Name of Operator CNG PRODUCING COMPAN	ıy		8. Well Name and No. VARIOUS PB// 3-24	— 1В
3a. Address 1450 POYDRAS ST, NEW O		io. (include area code) 93-7000	9. API Well No.	
4. Location of Well (Footage, Sec., T.,		93-7-000	10. Field and Pool, or Exploratory Area	_
4. Location of vven (Footage, Sec., 1.,	ix., w., or ourvey bescription)		Tel Field and Feel, or Expension, Field	
S. 24, T.	15, R.19E		11. County or Parish, State UINTAH, UTAH	
	HECK APPROPRIATE BOX(ES) TO INC	DICATE NATURE OF NOTICE, RI		
	OF A			
X Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Deepen Alter Casing Fracture Tre Casing Repair New Constr	uction Recomplete	Well Integrity X Other INSTALL PIPELINE	
	Convert to Injection Plug Back	Water Disposal		
following completion of the involve testing has been completed. Find determined that the site is ready CNG Producing Company rector to the 4" diameter steel pipeling.	red operations. If the operation results in a mall Abandonment Notices shall be filed only affor final inspection.) Quest permission to run a 2" diameter stense along the access road to the West Wil	ultiple completion or recompletion in a ter all requirements, including reclam sel pipeline that runs from the trea low Creek 5-24B. This pipeline is	ubsequent reports shall be filed within 30 days a new interval, a Form 3160-4 shall be filed once lation have been completed, and the operator has later along the access road to the West Will Creek 3-6 a surface pipeline and the line will be welding in placed where the pipeline crosses the road at the	
RBU 5-24B well. If you have any questions ple	ase contact James Sweat at (435) 722-4	521.	D E C E I V I JUL - 8 1999 DIV. OF OIL, GAS & I	MINING
			Div. or ore, and ar	
14. I hereby certify that the forgo Name (Printed/Typed)	oing is true and correct	Title		
SUSAN H. SACHITANA		REGULATORY	REPORTS ADMINISTRATOR	
Signature		Date		
Susan N.	Sachitarou	990701		
	THIS SPACE FOR F	EDERAL OR STATE OFFICE US	SE	
Approved by		Title	Date	

which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or

certify that the applicant holds legal or equitable title to those rights in the subject lease



BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB No. 1004-0135 EXPIRES: July 31, 1996

5 Lease Serial No.

su	UTU-68625			
Do not use th	6. If Indian, Allottee or Tribe Name			
abandon	ed well. Use form 3160-3 (APD) for such propos	sals.	
SUBMIT	IN TRIPLICATE - Other ins	truction on reverse s	side	
I. Type of Well Oil Well X Gas Well		Other		7. If Unit or CA/ Agreement, Name and/or No. WEST WILLOW CREEK
2. Name of Operator CNG PRODUCING COMPANY	,		·	8. Well Name and No. 3-24B
Ba. Address		3b. Phone No. (include an	ea code)	9. API Well No.
1450 POYDRAS ST, NEW OR	LEANS, LA 70112-6000	(504) 593-7000		43-047-32671
Location of Well (Footage, Sec., T., R.	, M., or Survey Description)			10. Field and Pool, or Exploratory Area
800' FNL & 1,980' FWL o	f Sec. 24-T9S-R19E			11. County or Parish, State
7				UINTAH, UTAH
12. CH	ECK APPROPRIATE BOX(ES) TO INDICATE NA	TURE OF NOTICE, REPORT	, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
Notice of Intent	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off
X Subsequent Report	Alter Casing	Fracture Treat	Reclamation	Well Integrity
Final Abandonment Notice	Casing Repair	New Construction	Recomplete	X Other SUMMARY OF OPERATIONS
	Change Plans	Plug and Abandonment	Temporarily Abandon	
	Convert to Injection	Plug Back	Water Disposal	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation have been completed, and the operator has determined that the site is ready for final inspection.)

SUMMARY OF OPERATIONS 10/30/99 - 11/11/99

Remove horse head. Rig up hot oil truck and pump 40 bbls 2% KCL water down casing. Unseat pump and flush rods with 30 bbls water. Pull out of hole with rod string and pump. Pump 29.58 bbls condensate down tubing. Rig up BJ pump truck and pump 10 bbls Xylene/Paraffin disbursement down casing and flush with 76 bbls 2% KCL water. Shut-in well. Pick up and run in hole with 2-1/2" x 1/12" x 16' RHAC pump # 234, 8 1-1/2" wt. bars 99 3/4" rods, slick, 86 7/8" rods with guides and seat pump. Rig up hot oil truck and fill tubing with 4 bbls 2% KCL water and pressure test to 600 PSI and stroke test to 600 PSI. Tested OK. Rig up horse head. Rig down rig and equipment and put well on production. 'Rig up rig remove horse head. Unseat pump. Rig up hot oil truck and flush rods and pump with 25 bbls 2% KCL water at 300. Reseat pump and pressure test to 600 PSI. Held OK. Stroke test to 600 PSI. Tested OK. Good pump action. Rig down rig and move off. Put well on production. Rig up rig and remove horse head. Unseat pump. Rig up hot oil truck and pump 31.74 bbls condensate down tubing. Pull out of hole with rods and pump. Pump would not stroke on surface. Pick up and run in hole with 2-1/2 x 1-1/2 x 19 RHAC pump # 108, with 16' screen and 8 1" wt. bars, 99 3/4" rods slick, 86 7/8" w/g. Decided to reperforate. Pull out of hole with rods and pump. Pump condensate out of tubing. Circulate hole. Nipple up BOPE. Release tubing anchor and pull out of hole and strap tubing. Rig up Schlumberger. Pick up and run in hole with 4" gun and reperforate interval #1 4,836'-4,878' with 4 SPF. Rig down Schlumberger. Pick up and run in hole with notched collar with bar, 1 jt. 2-7/8" tubing, plus 45 seating nipples, 6 jts. 2-7/8" tubing and tubing anchor, 150 jts. 2-7/8" tubing. Nipple down BOPE and set tubing anchor at 4,676', in 14,000# tension with end of tubing at 4,898', seating nipple at 4,866'. Nipple up wellhead. Rig up BJ Services and pressure test to 1800 PSI. Pump Paraffin Control Treatment 234 bbls total. Wait 2 hrs. for pressure to bleed off. Pick up and run in hole with 2-1/2" x 1-1/2" x 19" RHAC pump # 108, and 8 1" wt. bars, 99 3/4" rods slick, 86 7/8" w/g, seat pump. Rig up horse head and fill tubing with 1 bbl. water. Pressure test and stroke test to 600 PSI. Tested OK. Rig down and rig move off.

14. I hereby certify that the forgoing is true and correct		
Name (Printed/Typed)	Title	
SUSAN H. SACHITANA	REGULATORY REPORTS ADM	INISTRATOR
Signature //	Date	
Susan H. Sachitaxa	991102	
THIS SPACE FOR FEDERAL OR	STATE OFFICE USE	
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant of certify that the applicant holds legal or equitable title to those rights in the subject lease		

which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious fraudulent statements or representations as to any matter within its jurisdiction.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

In Reply Refer To: 3100 U-01470-A et al (UT-932)

JUN 2 2000

NOTICE

Dominion Exploration & Production, Inc. 1450 Poydras Street New Orleans, LA 70112-6000 Oil and Gas Leases

Name Change Recognized

Acceptable evidence has been received in this office concerning the change of name of CNG Producing Company to Dominion Exploration & Production, Inc. on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from your list of leases and a list of leases obtained from our automated records system. We have not abstracted the lease files to determine if the entity affected by the name change holds an interest in the leases identified nor have we attempted to identify leases where the entity is the operator on the ground maintaining no vested record title or operating rights interests. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the name change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

The following lease on your list is closed on the records of this office: U-029277.

Due to the name change, the name of the principal on the bond is required to be changed from CNG Producing Company to Dominion Exploration & Production, Inc. on Bond No. 524 7050 (BLM Bond No. WY1898). You may accomplish this name change either by consent of the surety on the original bond or by a rider to the original bond. Otherwise, a replacement bond with the new name should be furnished to the Wyoming State Office.

/s/ Robert Lepez

Robert Lopez
Chief, Branch of
Minerals Adjudication

Enclosure
Exhibit of Leases

RECE

JUN 05 🏭 🕽

DIVISION OF OIL GAS AND HE CC: Wyoming State Office
New Mexico State Office
Moab Field Office
Vernal Field Office
MMS-Reference Data Branch, MS 3130, Box 5860, Denver, CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC, UT 84114-5801
Irene Anderson (UT-932)
Teresa Thompson (UT-931)
LaVerne Steah (UT-942)

FORM 9 STATE OF UTAH DIVISION OF OIL, GAS & MINING Lease Designation and Serial Number: **VARIOUS** SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name: Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells Unit Agreement Name: Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals. Type of Well: Well Name and Number: OIL [GAS OTHER: **VARIOUS** Name of Operator: 9. API Well Number DOMINION EXPLORATION & PRODUCTION, INC. Address and Telephone Number: 10. Field and Pool, or Wildcat: 1460 Poydras Street, New Orleans, LA 70112-6000 (504) 593-7260 Natural Buttes 630 Location of Well Footages: **UINTAH** County: QQ, Sec, T., R., M.: State: UTAH CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. NOTICE OF INTENT SUBSEQUENT REPORT (SUBMIT IN DUPLICATE) (Submit Original Form Only) Abandon New Construction Abandon* New Construction Repair Casing Pull or Alter Casing Repair Casing Pull or Alter Casing Change of Plans Recomplete Change of Plans Reperforate Convert to Injection Reperforate Convert to Injection Vent or Flare Fracture Treat or Acidize Vent or Flare Fracture Treat or Acidize Water Shut-Off Multiple Completion Water Shut-Off X Other OPERATOR NAME CHANGE FOR WELLS Other Date of work completion Approximate date work will start Report results of Multiple Completion and Recompletion to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form *Must be accompanied by a cement verification report 12. DESCRIBE PROPOSED OR COMPLETION OPERATIONS (Clearly State all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) Please be advised that effective April 12, 2000, CNG Producing Company has changed its name to Dominion Exploration & Production, Inc. and would like to transfer the well permits into the name of Dominion Exploration & Production, Inc. Our new bond has been filed and is pending approval with the State of Utah. The bond number is 76S 63050 361.

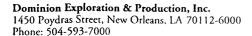
Sr. Vice-President - CNG Producing Company

RECEIVED

JUN 2 9 2000

DIVISION OF OIL, GAS AND MINING

13.	-00		
Name & Signature:	John R. Lewis	Title: Sr. Vice-President - Dominion Expl. & Prod., Inc.	Date:June 26, 2000
This space for State us	se only)		A ALVERT FAT





June 27, 2000

Mr. Jimmy Thompson Utah Board of Oil Gas & Mining 1594 West North Temple Suite 1210 Salt Lake City, UT 84114-5801

RE: Name Change Documentation for CNG Producing Company

Dear Mr. Thompson:

CNG Producing Company has become Dominion Exploration & Production, Inc. effective April 12, 2000. Enclosed please find a sundry regarding the name change with an attached listing of all the permits in the name of CNG Producing Company to be changed to Dominion Exploration & Production, Inc. Also enclosed please find a Form UIC 5 for the Transfer of Authority to Inject for the Federal #1-26B well.

If you have any questions or require any additional information, please contact me at (504) 593-7260.

Sincerely,

DOMINION EXPLORATION & PRODUCTION, INC.

Susan H. Sachitan

Susan H. Sachitana

Regulatory Reports Administrator

Enclosure

cc: Nelda Decker

RECEIVED

JUN 2 9 2000

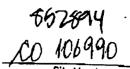
DIVISION OF OIL, GAS AND MINING

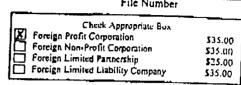
Date:

Amount Paid:

Receipt Number: 22156

04/25/2000





Division of Corporations & Commercial Code

Application To Amend The CERTIFICATE OF AUTHORITY OR REGISTRATION of

		CNG Producing Company Butness Entity Name	
		Delaware Name of Home State	
l.	AMENDING THE BUSINESS	NA NAYO	
	The business name is changed to:	Dominion Evalentian & Burdenia	
	The corporation shall use as its name	ne in I tah: Dominion Control	, Inc.
		/w	
	If the business name has changed its name in amendment must accompany this application he following:	THE NAME VISIN A GOOD OF NA CARSON	name as set forth on #1. unless this transc is not available) If Amendment or a certified copy of the
neen t	74 The name of the corporation is changing: (1) The name of the corporation is being char	it's name in Utah to the new name of the conget in Utah to comply with Utah State In.	orporation in the home state. Surance Regulations.
•	AMENDING THE DURATION	OF THE BUSINESS EXISTE	
	The businesses period of duration i	s changed to:	
•	The corporation's state or country of		
•	Other:		
	(Entrited Farthership Changing Creater) Pa	uriners, Limited Companies changing Mambers of Use an anached sheet if needed,	Managers. Change of statement who is managing, etc.,
der [penalties of perjury, I declare this A	pplication to Amend the Certific	ate of Authority or Registration to be,
the h	est of my knowledge and belief, tru	e and correct.	, ,
w	1/1/////////////		
	told-Wille	Vice President & Comorate S	Secretary April 20 2000
	Fighature Signature	Vice President & Corporate 5 Title	-State of Utan
	told-Wille	Vice President & Corporate S Title	Dena Parint of Common
	told-Wille	Vice President & Corporate S Title	Departifient of Commerce Division of Corporations and Commercial Cool I Hereby certify that the forecoing has been file
	told-Wille	Vice President & Corporate S Title	Department of Commerce Division of Corporations and Commercial Coc I Hereby certify that the foregoing has been file and approved on this 27day of 40/20 in the office of this place.
	Signature STATE OF UTAH	Vice President & Corporate S Title	Departifient of Commerce Division of Corporations and Commercial Cool I Hereby certify that the forecoing has been file
	STATE OF UTAH DIVISION OF CORPORATIONS	Vice President & Corporate S Title	Department of Commerce Division of Corporations and Commercial Coc I Hereby certify that the foregoing has been file and approved on this 27 day of 40/20 in the office of this place.
	STATE OF UTAH DIVISION OF CORPORATIONS AND COMMERCIAL CODE	Vice President & Corporate S Title	Department of Commerce Division of Corporations and Commercial Cod I Hereby certify that the foregoing has been file and approved on this 2 day of 40/20 in the office of this Division and hereby issue this Cartificate thereof.
	STATE OF UTAH DIVISION OF CORPORATIONS	Vice President & Corporate S	Department of Commerce Division of Corporations and Commercial Cod I Hereby certify that the foregoing has been file and approved on this 2 day of 40/20 in the office of this Division and hereby issue this Cartificate thereof.

Web Site: http://www.commerce.state.ut.us

APR 25 2000

Ush Dk Of Corp. & Comm. Code

common/forms/Wiss/amendsen. Revised DI-14-00 mm UTIQ2 - 21 PUU CT Syaan Onine

EXHIBIT A OIL & GAS LEASES AFFECTED BY THE NAME CHANGE

U-01470-A	U-017713	11.46905
U-01790	U-035316	U-46825
U-02896-A		U-62232
U-03505	U-037164	UTU-66743
U-03576	U-0143519	UTU-68108
	U-0143520-A	UTU-68388
U-013429-A	U-0143521-A	UTU-68625
U-013765	U-0147541	UTU-69166
U-013766	U-0147541-A	UTU-73011
U-013767	U-3405	UTU-73433
U-013769	U-7206	UTU-76499
U-013769-A	U-9803	UTU-76500
U-013769-B	U-10291	UTU-76717
U-013769-C	U-16544	UTU-76718
U-013792	U-19266	010-70718
U-013793	U-28203	11 60750 (CA)
U-013793-A	U-29784	U-60759 (CA)
U-013794	·	U-60940 (CA)
U-013818-A	U-30693	UTU-77360 (CA)
U-013820	U-37246	U-63054X (River Bend)
	U-39221	UTU-73218X
U-013821-A	U-43156	(West Willow
		Creek Unit)
		,

	i.					
Resul\$	-	select	api,	well	name,	we

P	U-7206
P	U-7206
P	U-7260
P	U-7260
P	U-7260

P	U-7260
P	U-7260
P	U-73011
P	UTU-39221
S	UTU-68625
P	UTU-68625
P	UTU-68625

UTU-68625

Р

(76 row(s) affected)

4304733088 RBU 1-10F 4304733362 RBU 15-10F 4304732902 RBU 1-15F 4304732903 RBU 3-15F 4304732904 RBU 9-15F 4304732515 RBU 1-25E 4304730406 RBU 7-25B 4304732418 FEDERAL 13-24B 4304732420 FEDERAL 15-24B 4304732447 FEDERAL 5-24B 4304732671 FEDERAL 3-24B

Division	of (Oil,	Gas	and	Min	ing
----------	------	------	-----	-----	-----	-----

OPERATOR CHANGE WORKSHEET

Check each listed item when completed. Write N/A if item is not applicable.

ROUTING:				
	4-KAS			
2-CDW	5-870 V			
3-JLT	6-FILE			

Change of Operator (Well Sold)

Designation of Agent

X Operator Name Change Only

Merger

The operator of the v	well(s) listed b	elow has c	hanged, ef	fective: <u>4-12</u> -	-00			
TO:(New Operator)	DOMINION E	XPL & PRO	D INC.	FROM:	(Old Opera	ator) CNG PRO	DUCING COMPANY	
Address:	1450 POYDR	-				s: 1450 POYDRA		
	NEW ORLEA				1 1001 021		S, LA 70112-6000	
						1,2,1, 0,1,2,1,1,1		
	Phone: 1-(504	4)-593-7000				Phone: 1-(504)	Phone: 1-(504)-593-7000	
	Account No.					Account No		
WELL(S):	CA Nos.			or WEST WIL	I OW CD	FFV	Unit	
Name: <u>RBU 7-25B</u>	CA NOS.	API: 43-0)47-30406	Entity: 12029	S 25	T 09S R 19E	Lease: U-39221	
Name: FEDERAL 13-24	·B)47-30400)47-32418	Entity: 12029	S 24	T 09S R 19E	Lease: <u>U-68625</u>	
Name: FEDERAL 15-24		API: 43-0		Entity: 12029	S 24	T 09S R 19E	Lease: <u>U-68625</u>	
Name: FEDERAL 5-24E		API: 43-0		Entity: 12029	S 24	T 09S R 19E	Lease: U-68625	
Name: FEDERAL 3-24E		API: 43-0		Entity: 12029	S 24	T 09S R 19E	Lease: <u>U-68625</u>	
Name: FEDERAL 3-25E	3	API: 43-0	47-32417	Entity: 12029	S 25	T 09S R 19E	Lease: <u>U-39221</u>	
YES 1. A pen	NGE DOCUM			et up.				
<u>YES</u> 2. (R649	-8-10) Sundry o	or other lega	ıl document	cation has been rec	ceived from	the FORMER	operator on <u>6-29-00</u>	
<u>YES</u> 3. (R649	-8-10) Sundry o	or other lega	l document	ation has been rec	ceived from	the NEW opera	tor on <u>6-29-00</u> .	
if the 1 Yes/N	new operator ab	ove is not c mpany file	urrently op		in Utah. Is	the operator regi	rporations Database istered with the State? In letter was mailed to	
				I or the BIA has a ederal or Indian lo		• '	change or operator	
				e BIA has approve		ssor of unit oper	ator for all wells listed	
				eements ("CA"). the CA on			approved the operator	

<u>N/A</u> 8.	Underground Injection Centrol ("UIC") Program. The Division has approved UIC Form 5, Transfer of Authority to Inject, for the hanced/secondary recovery unit/project and or for the water disposal well(s) listed above.
<u>YES</u> 9.	Changes have been entered in the Oil and Gas Information System for each well listed on <u>8-2-00</u> .
<u>YES</u> 10.	Changes have been included on the Monthly Operator Change letter on 8-2-00
STATE BO	ND VERIFICATION
<u>N/A</u> 1.	State Well(s) covered by Bond No
FEE WELI	LS - BOND VERIFICATION / LEASE INTEREST OWNER NOTIFICATION
<u>N/A</u> 1.	(R649-3-1) The NEW operator of any fee lease well(s) listed above has furnished a proper bond.
<u>N/A</u> 2.	A copy of this form has been placed in the new and former operator's bond files on
<u>N/A</u> 3.	The FORMER operator has requested a release of liability from their bond as of todays date? If yes, Division response was made to this request by letter dated (see bond file).
<u>N/A</u> 4.	(R649-2-10) The Former operator of any Fee lease wells listed above has been contacted and informed by letter dated, of their responsibility to notify all interest owners of this change.
<u>N/A</u> 5.	Bond information added to RBDMS on
<u>N/A</u> 6.	Fee wells attached to bond in RBDMS on
FILMING	
1.	All attachments to this form have been microfilmed on
FILING	
1.	Originals/Copies of all attachments pertaining to each individual well have been filed in each well file.
2.	The original of this form has been filed in the operator file and a copy in the old operator file.
COMMEN	TS .

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X -	Change	of (Operator	(Well Sold	I)

Operator Name Change/Merger

The operator of the well(s) listed below has change	7/1/2007									
	,, -110			TO: (37 - 2		//1/200/				
FROM: (Old Operator):	TO: (New Operator):									
N1095-Dominion Exploration & Production, Inc	N2615-XTO Energy Inc									
14000 Quail Springs Parkway, Suite 600				810 Houston St						
Oklahoma City, OK 73134	Fort Worth, TX 76102									
Phone: 1 (405) 749-1300				Phone: 1 (817)	870-2800					
CA No.				Unit:		WEST WILLOW CREEK				
	SEC T	WN	RNG	API NO	ENTITY	LEASE TYPE	WELL	WELL		
					NO		TYPE	STATUS		
SEE ATTACHED LIST										
OPERATOR CHANGES DOCUMENTA	ATION	V								
Enter date after each listed item is completed										
1. (R649-8-10) Sundry or legal documentation was	receive	ed fi	rom the	FORMER ope	erator on:	8/6/2007				
2. (R649-8-10) Sundry or legal documentation was	receive	ed fi	rom the	NEW operator	on:	8/6/2007				
3. The new company was checked on the Departn	ent of	Con	nmerce	, Division of C	orporation	s Database on:		8/6/2007		
4a. Is the new operator registered in the State of U	tah:			Business Numb	ber:	5655506-0143				
4b. If NO, the operator was contacted contacted or	ı:			-			•			
5a. (R649-9-2)Waste Management Plan has been rec	eived o	n:		IN PLACE						
5b. Inspections of LA PA state/fee well sites comple	ete on:			n/a						
5c. Reports current for Production/Disposition & Su	indries (on:		ok	-					
6. Federal and Indian Lease Wells: The BL			e BIA h	as approved the	- e merger, na	me change.				
or operator change for all wells listed on Federa					BLM		BIA			
7. Federal and Indian Units:	. 01 1110					-		_		
The BLM or BIA has approved the successor	of unit o	oner	ator for	r wells listed on	•					
8. Federal and Indian Communization Agr					•					
The BLM or BIA has approved the operator f										
9. Underground Injection Control ("UIC"					oved UIC F	orm 5, Transfer	of Auth	ority to		
Inject, for the enhanced/secondary recovery uni						,		·		
DATA ENTRY:	- FJ			, , , , , , , , , , , , , , , , , , ,	(-)			-		
1. Changes entered in the Oil and Gas Database	n:			9/27/2007						
2. Changes have been entered on the Monthly Op		Cha	nge Sp		-	9/27/2007				
3. Bond information entered in RBDMS on:				9/27/2007	_					
4. Fee/State wells attached to bond in RBDMS on				9/27/2007	_					
5. Injection Projects to new operator in RBDMS o	n:			9/27/2007	_					
6. Receipt of Acceptance of Drilling Procedures for		9/27/2007	<u>-</u>							
BOND VERIFICATION:										
1. Federal well(s) covered by Bond Number:				UTB000138	_					
2. Indian well(s) covered by Bond Number:	n/a									
3a. (R649-3-1) The NEW operator of any state/fee well(s) listed covered by Bond Number 104312762										
3b. The FORMER operator has requested a release of liability from their bond on: 1/23/2008										
The Division sent response by letter on:										
LEASE INTEREST OWNER NOTIFICATION:										
4. (R649-2-10) The NEW operator of the fee wells					by a letter fr	om the Division				
of their responsibility to notify all interest owner	s of this	cha	ange on	:						
COMMENTS:										

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

(5/2000)

	[5. LEASE DESIGNATION AND SERIAL NUMBER:							
	SUNDRY	NOTICES AND REP	ORTS ON WEL	LS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do	not use this form for proposals to drill no	ew wells, significantly deepen existing wells	s below current bottom-hole dep	th, reenter plugged wells, or to	7. UNIT or CA AGREEMENT NAME:				
	YPE OF WELL			is.	8. WELL NAME and NUMBER:				
		GAS WELL [V] O	THER		SEE ATTACHED				
		112615							
		ouston Street		PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT:				
			X zp 76102	(817) 870-2800	Natural Buttes				
		TTACHED			соилту: Uintah				
(QTR/QTR, SECTION, TOWNSHIP, RAN	GE, MERIDIAN:			STATE: UTAH				
11.	CHECK APPF	ROPRIATE BOXES TO IN	IDICATE NATURE	OF NOTICE, REPO	RT, OR OTHER DATA				
	TYPE OF SUBMISSION		T	YPE OF ACTION					
7	NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFORATE CURRENT FORMATION				
	(Submit in Duplicate)	ALTER CASING	FRACTURE	TREAT	SIDETRACK TO REPAIR WELL				
	Approximate date work will start:	CASING REPAIR	☐ NEW CONS	TRUCTION	TEMPORARILY ABANDON				
		CHANGE TO PREVIOUS PLANS	✓ OPERATOR	CHANGE	TUBING REPAIR				
_		CHANGE TUBING	PLUG AND	ABANDON	VENT OR FLARE				
Ш	SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG BACK		WATER DISPOSAL				
	Date of work completion:	CHANGE WELL STATUS	PRODUCTION	ON (START/RESUME)	WATER SHUT-OFF				
		NOTICES AND REPORTS ON WELLS C. If HOMA ALIOTTEE OR TRIBE NAME:							
		CONVERT WELL TYPE	RECOMPLE	TE - DIFFERENT FORMATION					
12.	DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly	show all pertinent details inc	cluding dates, depths, volum	es, etc.				
	Effective July 1, 2007,	XTO Energy Inc. has purc	hased the wells liste	ed on the attachmen	t from:				
	14000 Quail Springs Pa	arkway, Suite 600	1095						
	James D. Abercrombie Sr. Vice President, General Manager - Western Business Unit Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.								
NA	ME (PLEASE PRINT) Edwin S. F	Ryan, Jr.	TITL	E Sr. Vice Presider	nt - Land Administration				
SIG	NATURE Eller	& hopen, IR	DAT	= <u>7/31/2007</u>					
This	space for State use only)	0.000			RECEIVED				
2. NAME OF OFFENDRY XTO Energy Inc. XTO Energy									
5/200	O) Division of Oil. C	as and Mining	(See Instructions on Reverse S	ide)	DIV. OF OIL, GAS & MINING				
	marione Mussell, I	0							

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

WEST WILLOW CREEK UNIT

api	well_name	qtr_qtr	sec	twp	rng	lease_num	entity	Lease	well	stat
4304730406	RBU 7-25B	SWNE	25	090S	190E	UTU-39221	12029	Federal	OW	S
4304732223	FEDERAL 11-24B	NESW	24	090S	190E	UTU-68625	12029	Federal	ow	P
4304732248	FEDERAL 1-26B	NENE	26	090S	190E	UTU-68625	12029	Federal	GW	P
4304732417	FEDERAL 3-25B	NENW	25	090S	190E	U-39221	12029	Federal	OW	P
4304732418	FEDERAL 13-24B	SWSW	24	090S	190E	UTU-68625	12029	Federal	OW	P
4304732420	FEDERAL 15-24B	SWSE	24	090S	190E	UTU-68625	12029	Federal	OW	P
4304732447	FEDERAL 5-24B	SWNW	24	090S	190E	UTU-68625	12029	Federal	OW	P
4304732671	FEDERAL 3-24B	NENW	24	090S	190E	UTU-68625	12029	Federal	OW	S

1 09/27/2007



United States Department of the Interior

TAKE PRIDE'

BUREAU OF LAND MANAGEMENT Utah State Office

P.O. Box 45155 Salt Lake City, UT 84145-0155

IN REPLY REFER TO 3180 UT-922

XTO Energy Inc.
Attn: Carl Stroud
810 Houston Street
Fort Worth, TX 76102-6298

October 6, 2008

Re:

West Willow Creek Unit Uintah County, Utah

Dear Mr. Stroud:

On October 3, 2008, we received an indenture dated September 25, 2008, whereby Dominion Exploration & Production, Inc. resigned as Unit Operator and XTO Energy Inc. was designated as Successor Unit Operator for the West Willow Creek Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective October 6, 2008. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the West Willow Creek Unit Agreement.

Your Statewide Oil and Gas Bond No. UTB000138 will be used to cover all operations within the West Willow Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond Chief, Branch of Fluid Minerals

Enclosure

RECEIVED OCT 0 9 2008 Form 3160-5 (August 2007)



entitle the applicant to conduct operations thereon.

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB NO. 1004-0137 Expires July 31, 2010

FORM APPROVED

5. Lease Serial No.

SUNDRY	NOTICES	AND	REPORTS	ON	WELLS		l
--------	---------	-----	---------	----	-------	--	---

UI	U-	68	362	25

Do not use this form for p abandoned well. Use Form	6. If Indian, Allottee or Tribe Name N/A		
SUBMIT IN TRIPLICAT	7. If Unit or CA/Agreement, Name and/or No		
I. Type of Well Oil Well X Gas Well Other Name of Operator XTO Energy Inc. Ba. Address		3b. Phone No. (include area coa	8. Well Name and No. FEDERAL #3-24B 9. API Well No.
382 CR 3100 Aztec, NM 87410 4. Location of Well (Footage, Sec., T., R., M., or Survey E 850' FNL & 1,980' FWL NENW Sec. 2	24 T9S-R19E	505-333-3	100 10. Field and Pool, or Exploratory Area WEST WILLOW CREEK GREEN RIVER 11. County or Parish, State UINTAH UTAH
12. CHECK APPROPRIATE	BOX(ES) TO INI	DICATE NATURE OF NOTICE	CE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF	ACTION
X Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Production (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Shut-Off Well Integrity X Other OAP &
If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be per	plete horizontally, give so formed or provide the f the operation results Notices shall be filed on tion.)	subsurface locations and measured Bond No. on file with BLM/BIA. In a multiple completion or recomp Inly after all requirements, including	e of any proposed work and approximate duration thereof and true vertical depths of all pertinent markers and zones Required subsequent reports shall be filed within 30 days letion in a new interval, a Form 3160-4 shall be filed once reclamation, have been completed, and the operator has te (Green River) per the attached
Accepted by to Utah Division Oil, Gas and M. By:	the soft	Federal Approval Of This Action Is Necessary	Date: U 2008 Initials: VS RECEIVED NOV 0 3 2008 DIV. OF OIL, GAS & MINING
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) BARBARA NICOL	7	Title FILE CLERI	ζ
Signature Pawaru NiCo	<u>l</u>	Date 10/31/08	
THIS	S SPACE FOR FE	DERAL OR STATE OFFICE	
Approved by		Title	Date
Conditions of approval, if any, are attached. Approval of this not	ice does not warrant or cer	tify that Office	

RBH	
TJF	
DLC	

Federal #3-24B Unit C, Sec 24, T 09 S, R 19 E Uintah County, Utah

Open Additional Pay & Recomplete (Green River)

Surf csg: 9-5/8", 36#, J-55 ST&C csg @ 407'. Circ cmt to surf. **Prod csg:** 5-1/2", 17#, J-55, LT&C csg @ 5,399', PBTD @ 5,333'

Cement: 863 sx lead cmt. Circ 28 bbls cmt to surf.

Tbg: NC, 1 jt 2-7/8" tbg, SN, 6 jts 2-7/8" tbg, TAC, & 150 jts 2-7/8" tbg. TAC @ 4,676', SN @

4,866', EOT @ 4,898'

Rods: 2-1/2"x1-1/2"x19'x4' RHAC pmp, 8-1" snkr brs, 99-3/4" rods, 86-7/8" (guided)

Perforations: GR: 4,836'-4,878' (2 jspf, 85 holes) - reperf w/4 jspf, 169 holes

Current: Pumping

Completion Procedure

Note, if 20% HCl is not available, 15% HCl may be substituted

- 1) MI & set 5 500 bbl frac tanks and fill with 2% KCl water. Set flowback tank.
- 2) MIRU PU.
- 3) Blow well down and kill well with 2% KCl water.
- 4) ND WH. NU and pressure test BOP.
- 5) Unseat pump. TOH w/rods & pump. Release TAC & TOH w/tbg & BHA.
- 6) TIH with 4-3/4" bit, 5-1/2" scraper, and 2-7/8" tbg. CO to PBTD (5,333'). Report any tight spots to Brock Hendrickson. TOH and LD bit and scraper.

- 7) MIRU wireline truck. RU full lubricator. Correlate with the Federal #3-24B Halliburton Dual Laterolog dated 11/16/95.
- 8) Perf Green River with 3-1/8" csg gun with 2 JSPF (Titan EXP-3323-361T, 22.7 gm, 120 deg phasing, 0.36" dia., 35.63" penetration, 64 holes). POH with csg gun. RDMO WL.

Green River Perfs

PERF	CCL
5,226'-5,242'	
5,061'-5,076'	

- 9) TIH with 5-1/2" RBP, RBP release tool, 5-1/2" packer, and 2-7/8" tbg (0.24311 gal/ft) to surface.
- 10) Set RBP @ \pm 5,275' and packer @ \pm 5,200' [total capacity 1,265 gallons (tbg), 1,280 gallons (top perf), 1,306 gallons (btm perf)].
- 11) MIRU frac equipment.
- 12) Pressure test surface lines to 6,000 psig. BD perfs with 2% KCl water and EIR. Acidize Green River perfs from 5,226'-5,242' with 500 gals of 20% NEFE HCl acid and 50 Bio-balls at 12 BPM down 2-7/8" tbg. Flush with 1,400 gals 2% KCl water (2 bbls over flush). Shut down for 20 minutes, allowing Bio-balls to dissolve. Acidize Green River perfs down 2-7/8" tbg at 20 BPM. Pump 3,500 gallons of 20% HCl acid w/20 ppg linear gel spacers every 500 gallons. Flush with 1,400 gals 2% KCl water (2 bbls over flush). Record ISIP & 5" SIP.

Stage 1	Volume	<u>Fluid</u>	Bio-Balls
1 – Acid	500	20% FE Acid	50
2 – Flush	1,400	2% KCl Water	
3 – Shut Down for 20			
min			
4 – Acid	500	20%_FE Acid	
5 – Flush	1,000	20 ppg Linear Gel	
6 – Acid	500	20%_FE Acid	
7 – Flush	1,000	20 ppg Linear Gel	
8 – Acid	500	20%_FE Acid	
9 – Flush	1,000	20 ppg Linear Gel	
10 – Acid	500	20% FE Acid	
11 – Flush	1,000	20 ppg Linear Gel	
12 – Acid	500	20%_FE Acid	
13 – Flush	1,000	20 ppg Linear Gel	
14 – Acid	500	20%_FE Acid	
15 – Flush	1,000	20 ppg Linear Gel	
16 – Acid	500	20% FE Acid	
17 – Flush	1,400	2% KCl Water	

13) RD frac equipment.

- 14) Release packer and TIH with RBP release tool, 5-1/2" packer, and 2-7/8" tbg. Release RBP and TOH with ±5 jts 2-7/8" tbg.
- 15) Set RBP @ $\pm 5,100$ ' and packer @ $\pm 5,000$ ' [total capacity -1,216 gallons (tbg), 1,275 gallons (top perf), 1,290 gallons (btm perf)].
- 16) RU frac equipment and pressure test surface lines to 6,200 psig.
- 17) Review treatment schedule with service company personnel and confirm treatment rate, stage fluid volumes, proppant volumes, type and amount of flush.
- 18) Breakdown formation and establish injection @ +/- 10 BPM. Spearhead 1,000 gals 7.5% HCl and frac Green River perfs from 5,061'-5,076' down 2-7/8" tubing at 20 BPM. Pump slickwater fluid (2% KCl water) w/30,000 lbs 16/30 resin coated proppant (activated with chemical in 1.5 ppg stage). Flush with 1,275 gals 2% KCl water. Record ISIP & 5" SIP.

Stage 2	<u>Volume</u>	<u>Fluid</u>	Conc.	Proppant/Balls	<u>N2</u>
1 – Acid	1,000	7.5% FE Acid-XTO			0%
2 - Pad	9,000	2% KCl - Slickwater			0%
3 - Proppant Laden Fluid	8,000	2% KCl - Slickwater	0.25 lbm/gal	Resin Coated-16/30	0%
4 - Proppant Laden Fluid	8,000	2% KCl - Slickwater	0.5 lbm/gal	Resin Coated-16/30	0%
5 - Proppant Laden Fluid	12,000	2% KCl - Slickwater	1.0 lbm/gal	Resin Coated-16/30	0%
6 - Proppant Laden Fluid	8,000	2% KCl - Slickwater (Activated)	1.5 lbm/gal	Resin Coated-16/30	0%
7 - Flush	1,275	2% KCl Water			0%

- 19) Release packer and TIH with RBP release tool, 5-1/2" packer, and 2-7/8" tbg. Release RBP and TOH with ±5 jts 2-7/8" tbg.
 - i) If RBP is covered w/sand and cannot be released, TOH w/tbg & pkr and TIH w/new RBP.
- 20) Set RBP @ $\pm 4,925$ ' and packer @ $\pm 4,800$ ' [total capacity -1,167 gallons (tbg), 1,202 gallons (top perf), 1,243 gallons (btm perf)].
- 21) RU frac equipment.
- 22) Pressure test surface lines to 6,000 psig. BD perfs with 2% KCl water and EIR. Acidize Green River perfs from 4,836'-4,878' with 2,000 gals of 20% NEFE HCl acid and 250 Bio-balls at 12 BPM down 2-7/8" tbg. Flush with 1,325 gals 2% KCl water (2 bbls over flush). Shut down for 20 minutes, allowing Bio-balls to dissolve. Acidize Green River perfs down 2-7/8" tbg at 20 BPM. Pump 8,000 gallons of 20% HCl acid w/20 ppg linear gel spacers every 1,500 gallons. Flush with 1,325 gals 2% KCl water (2 bbls over flush). Record ISIP & 5" SIP.

Stage 3	Volume	<u>Fluid</u>	Bio-Balls
1 – Acid	2,000	20%_FE Acid	250
2 – Flush	1,325	2% KCl Water	
3 – Shut Down for 20			
min			
4 – Acid	1,500	20%_FE Acid	
5 – Flush	1,500	20 ppg Linear Gel	
6 – Acid	1,500	20%_FE Acid	
7 – Flush	1,500	20 ppg Linear Gel	
8 – Acid	1,500	20%_FE Acid	
9 – Flush	1,500	20 ppg Linear Gel	
10 – Acid	1,500	20%_FE Acid	
11 – Flush	1,500	20 ppg Linear Gel	
12 – Acid	2,000	20%_FE Acid	
13 – Flush	1,325	2% KCl Water	

- 23) Shut well in overnight.
- 24) RDMO frac equipment.

- 25) Release packer and TIH with RBP release tool, 5-1/2" packer, and 2-7/8" tbg. Release RBP and TOH with 2-7/8" tbg, packer, RBP release tool, & RBP.
- 26) LD RBP, RBP release tool, & packer.
- 27) TIH w/4-3/4" bit, 5-1/2" scraper and 2-7/8" tubing. CO to PBTD (5,333'). Circulate wellbore clean.
- 28) TOH with tubing and bit. Lay down bit and scraper.
- 29) TIH with tubing BHA as follows:

A chemical, capillary string will be banded to the OD of the tubing string

- a) 5-1/2" TECH TAC (2" ID), open ended
- b) 1 it 2-7/8" tubing w/1/2" vent hole located 1' from top
- c) 2-7/8" (2.28" ID) API SN
- d) +168 its -2-7/8" tubing to surface, EOT @ 5,308', SN @ 5,275'
- 30) Swab well until clean fluid is obtained.
- 31) TIH with rod BHA as follows:
 - a) 3/4" x 8' 0.012" Mesh Screen Dip Tube
 - b) 2-1/2" x 1-1/2" x 12' x 15' RHAC
 - c) 3/4" x 4' Guided Rod Sub w/mold-on guides
 - d) 3/4" 21,000 lb HF Shear Tool
 - e) 8 1 1/4" API K Sinker Bars
 - f) 28 3/4" Norris-96 Rods w/mold-on guides
 - g) 175 3/4" Norris-96 Rods w/T-couplings
 - h) 3/4" x 2' & 3/4" x 4' Spacer Subs
 - i) 1-1/4" x 22' Polished Rod w/liner
- 32) Space out pump with spacer subs. Load tubing and long stroke with rig to ensure pump action. HWO.
- 33) RDMO PU.
- 34) Set CB weights as needed.
- 35) Gauge tanks. Shoot FL and run dynamometer during pumping unit startup. Start well pumping at 4 SPM and 86" SL for 24 hours. Check fluid level and tank gauges.
- 36) Report pre and post start up data to Brock Hendrickson.

Regulatory:

1. Submit sundry to open additional pay in the Green River formation.

Equipment:

Tubing

- Chemical, capillary, injection string (tubing OD)
- 5-1/2" TECH TAC (2" ID), open ended
- 1 jt 2-7/8" tubing w/1/2" vent hole located 1' from top
- 2-7/8" (2.28" ID) API SN
- ± 168 jts -2-7/8" tubing to surface, EOT @ 5,308', SN @ 5,275'

Rods

- 3/4" x 8' 0.012" Mesh Screen Dip Tube
- 2-1/2" x 1-1/2" x 12' x 15' RHAC
- 3/4" x 4' Guided Rod Sub w/mold-on guides
- 3/4" 21,000 lb HF Shear Tool
- 8 1-1/4" API K Sinker Bars
- 28 3/4" Norris-96 Rods w/mold-on guides
- 175 3/4" Norris-96 Rods w/T-couplings
- 3/4" x 2' & 3/4" x 4' Spacer Subs
- 1-1/4" x 22' Polished Rod w/liner

	STATE OF UTAH		FORM 9		
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING				
SUND	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepen ex ugged wells, or to drill horizontal laterals. Use		7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B		
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000		
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8	7410 505 333-3159 Ext	PHONE NUMBER:	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NENW Section: 24	IP, RANGE, MERIDIAN: Township: 09.0S Range: 19.0E Meridian: S		STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	☐ ACIDIZE ☐	ALTER CASING	☐ CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION		
7/7/2009	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK		
☐ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
_	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL		
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
	☐ WILDCAT WELL DETERMINATION ✓	OTHER	OTHER: PARAFFIN TREATMEN		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc., performed a paraffin treatment on this well per the following: 7/7/2009 MIRU Action Hot Oil Service trk. SN @ 4866'. Pmpd 80Accepted by the bbl clean condensate dwn csg. RDMO Action Hot Oil Service. RWTP @ 11:00Utah Division of a.m. 7/7/09. Final rpt. Oil, Gas and Mining FOR RECORD ONLY					
NAME (PLEASE PRINT) Dolena Johnson	PHONE NUMBER 505 333-3164	TITLE Regulatory Compliance Tech			
SIGNATURE	203 222-2104	DATE			
N/A		10/2/2009			

	STATE OF UTAH		FORM 9		
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING				
SUNDF	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepen ex igged wells, or to drill horizontal laterals. Use		7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B		
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000		
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8	7410 505 333-3159 Ext	PHONE NUMBER:	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NENW Section: 24	(P, RANGE, MERIDIAN: Township: 09.0S Range: 19.0E Meridian: S		STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	ACIDIZE	ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
✓ SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION		
4/20/2010	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK		
☐ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
_	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL		
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
	☐ WILDCAT WELL DETERMINATION ✓	OTHER	OTHER: PARAFFIN TREATMEN		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc. performed a paraffin treatment on this well 04/20/2010 per the following: MIRU Action Hot Oil Service trk. SN @ 4866'. Pumped 80 bblAccepted by the condensate down casing. RDMO Action Hot Oil Service. RWTP @ 11:00 a.m. Utah Division of 04/20/2010. Final report. Oil, Gas and Mining FOR RECAPTIONS. 2010					
NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 505 333-3642	TITLE Regulatory Compliance Tech			
SIGNATURE	303 333-3042	DATE			
N/A		4/27/2010			

	FORM 9				
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING				
SUNDF	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B		
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000		
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8		E NUMBER:	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NENW Section: 24	i P, RANGE, MERIDIAN: Township: 09.0S Range: 19.0E Meridian: S	5	COUNTY: UINTAH STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATI	E NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME		
	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE		
✓ SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION		
7/28/2010	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK		
SPUD REPORT	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: PARAFFIN TREATMEN		
XTO Energy Inc. I 07/28/2010: MIRI condensate & 55 gal (MPLETED OPERATIONS. Clearly show all pertnas performed a paraffin treatr J Action Hot Oil Service trk. SN Champion M-2020 dwn csg. RE 00 P.M. 7-28-2010. Final rpt. T	ment per the following: N @ 4866'. Pmpd 80 bbl A DMO Action Hot Oil Servict est data to follow. Oil	Accepted by the		
NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 505 333-3642	TITLE Regulatory Compliance Tech			
SIGNATURE N/A		DATE 7/29/2010			

STATE OF UTAH			FORM 9		
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ	NG	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625		
SUNDF	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for proposition-hole depth, reenter plu DRILL form for such proposals.	sals to drill new wells, significantly deepen ex ugged wells, or to drill horizontal laterals. Use	isting wells below current APPLICATION FOR PERMIT TO	7.UNIT OF CA AGREEMENT NAME: WEST WILLOW CREEK		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B		
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000		
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8		NUMBER:	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NENW Section: 24	IP, RANGE, MERIDIAN: Township: 09.0S Range: 19.0E Meridian: S		STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	☐ ACIDIZE ☐	ALTER CASING	☐ CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
✓ SUBSEQUENT REPORT	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION		
10, 3, 2010	□ OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK		
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
	☐ REPERFORATE CURRENT FORMATION ☐ ☐ TUBING REPAIR ☐	SIDETRACK TO REPAIR WELL VENT OR FLARE	☐ TEMPORARY ABANDON ☐ WATER DISPOSAL		
DRILLING REPORT	□ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
Report Date:		OTHER			
			OTHER: PARAFFIN TREATMEN		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc. performed a paraffin treatment on this well per the following: 10/05/2010: MIRU Action Hot Oil Service trk. SN @ 4866'. Pmpd 80 bbl Accepted by the condensate dwn csg. RDMO Action Hot Oil Service. RWTP @ 11:00 A.M. Utah Division of 10-05-2010. Final rpt. Test data to follow. Oil, Gas and Mining FOR RECORD ONLY					
NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 505 333-3642	TITLE Regulatory Compliance Tech			
SIGNATURE N/A		DATE 10/19/2010			

Sundry Number: 24408 API Well Number: 43047326710000

	STATE OF UTAH		FORM 9		
ı	DEPARTMENT OF NATURAL RESOUR DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625		
SUNDR	Y NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for procurrent bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK				
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B		
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000		
3. ADDRESS OF OPERATOR: 382 Road 3100, Aztec, NN	л, 87410 505 333-31	PHONE NUMBER: 45 Ext	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSH	HP, RANGE, MERIDIAN: 24 Township: 09.0S Range: 19.0E Mer	idian: S	STATE: UTAH		
11. CHECI	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	ACIDIZE	ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
Approximate date work will start:	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion: 3/29/2012	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION		
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK		
	✓ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:			TEMPORARY ABANDON		
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL			
DRILLING REPORT	L TUBING REPAIR	☐ VENT OR FLARE ☐	☐ WATER DISPOSAL		
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION		
	WILDCAT WELL DETERMINATION	OTHER	OTHER:		
	completed operations. Clearly shown as returned this well to pro Thursday, 3/29/2012.	duction @ 1200 hours,	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 12, 2012		
NAME (PLEASE PRINT) Barbara Nicol	PHONE NUM! 505 333-3642	BER TITLE Regulatory Compliance Tec	ch		
SIGNATURE		DATE			
N/A		4/4/2012			

Sundry Number: 24893 API Well Number: 43047326710000

	STATE OF UTAH			FORM 9
	DEPARTMENT OF NATURAL RESOL DIVISION OF OIL, GAS, AND N		3	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625
SUNDR	RY NOTICES AND REPORT	S ON	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for procurrent bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK			
1. TYPE OF WELL Oil Well				8. WELL NAME and NUMBER: FEDERAL 3-24B
2. NAME OF OPERATOR: XTO ENERGY INC				9. API NUMBER: 43047326710000
3. ADDRESS OF OPERATOR: 382 Road 3100, Aztec, NN	M, 87410 505 333-3		NE NUMBER: xt	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL				COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 24 Township: 09.0S Range: 19.0E M	eridian:	S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDIC	CATE N	ATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
	ACIDIZE		ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start.	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion: 4/17/2012	DEEPEN	☐ F	RACTURE TREAT	NEW CONSTRUCTION
	OPERATOR CHANGE	П.	PLUG AND ABANDON	PLUG BACK
 	PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	✓ REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL			TEMPORARY ABANDON
	TUBING REPAIR			
DRILLING REPORT			/ENT OR FLARE	☐ WATER DISPOSAL ☐
Report Date:	WATER SHUTOFF		SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION		OTHER	OTHER:
XTO Energy Inc.	completed operations. Clearly sho would like to rescind the N the Green River formation UDOGM 11/24/2008	Notice n that	of Intent to open	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 24, 2012
NAME (PLEASE PRINT) Barbara Nicol	PHONE NU 505 333-3642	MBER	TITLE Regulatory Compliance Tec	ch
SIGNATURE	300 000 0012		DATE	
N/A			4/17/2012	

Sundry Number: 41838 API Well Number: 43047326710000

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625
SUNDR	RY NOTICES AND REPORTS OF	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly de reenter plugged wells, or to drill horizonta n for such proposals.		7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047326710000
3. ADDRESS OF OPERATOR: PO Box 6501, Englewood,		HONE NUMBER: 7 Ext	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSI Qtr/Qtr: NENW Section:	HIP, RANGE, MERIDIAN: 24 Township: 09.0S Range: 19.0E Meridia	n: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOF	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start.	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
8/20/2013	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:			
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	LI TEMPORARY ABANDON
DRILLING REPORT	L TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	☐ WILDCAT WELL DETERMINATION ✓	OTHER	OTHER: Paraffin Treatment
XTO Energy Inc. has following: 8/15/2013 csg. RD hot oiler. MIRU chem pmp t TIH & set RBP @ 48/19/2013: MIRU hot oil trk. MIRU WL. Findic est TOC @ su TIH prod tbg. SWI.	completed operations. Clearly show all sperformed a paraffin treatmed: MIRU. RU hot oiler. Ppd 65 TOH rods & pmp. SWI. SDFN. rk. Ppd 1,000 gal xylene w/flu: 4,800'. Ppd 20 BW & fill well. TC ot oil trk. Fill csg w/7 bbls 150 RIH w/GR/CCL/CBL logging tls. RDMC SDFN. 8/20/2013: TIH pmp &	nt on this well per the bbls 250 deg wtr dwn 8/16/2013: TOH tbg. sh. RDMO chem trk. H tbg. SWI. SDFWE. deg F wtr. RDMO hot fr/4,780' - 150'. Log WL. TIH & retr RBP. rods. RWTP. RDMO.	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 03, 2013
NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 303-397-3736	TITLE Regulatory Compliance Ted	ch
SIGNATURE N/A		DATE 8/29/2013	

Division of Oil, Gas and Mining

Operator Change/Name Change Worksheet-for State use only

Effective Date:

1/1/2016

FORMER OPERATOR:	NEW OPERATOR:		
XTO ENERGY INC	FINLEY RESOURCES INC		
PO BOX 6501	PO BOX 2200		
ENGLEWOOD CO 80155	FORT WORTH TX 76113		
CA Nyashar(s)	Init(a): West William Creak		
CA Number(s):	Unit(s): West Williow Creek	1	

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Туре	Status
FEDERAL 11-24B	24	090S	190E	4304732223	12029	Federal	Federal	ow	PA
FEDERAL 13-26B	26	090S	190E	4304732237	11370	Federal	Federal	GW	PA
FEDERAL 1-26B	26	090S	190E	4304732248	12029	Federal	Federal	GW	P
FEDERAL 3-25B	25	090S	190E	4304732417	12029	Federal	Federal	OW	P
FEDERAL 13-24B	24	090S	190E	4304732418	12029	Federal	Federal	OW	P
FEDERAL 15-24B	24	090S	190E	4304732420	12029	Federal	Federal	OW	PA
FEDERAL 5-24B	24	090S	190E	4304732447	12029	Federal	Federal	OW	P
FEDERAL 3-24B	24	090S	190E	4304732671	12029	Federal	Federal	OW	S

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on:

1/12/2016

2. Sundry or legal documentation was received from the **NEW** operator on:

1/12/2016

3. New operator Division of Corporations Business Number:

7409151-0143

REVIEW:

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on:

N/A

2. Receipt of Acceptance of Drilling Procedures for APD on: 3. Reports current for Production/Disposition & Sundries:

1/13/2016

N/A

4. OPS/SI/TA well(s) reviewed for full cost bonding:

N/A

5. UIC5 on all disposal/injection/storage well(s) approved on:

N/A

6. Surface Facility(s) included in operator change:

N/A

7. Inspections of PA state/fee well sites complete on (only upon operators request):

NEW OPERATOR BOND VERIFICATION:

1. Federal well(s) covered by Bond Number:

UTB000305

2. Indian well(s) covered by Bond Number:

N/A

3.State/fee well(s) covered by Bond Number(s):

N/A

N/A

DATA ENTRY:

1. Well(s) update in the OGIS on:	1/27/2016
2. Entity Number(s) updated in OGIS on:	1/27/2016
3. Unit(s) operator number update in OGIS on:	1/27/2016
4. Surface Facilities update in OGIS on:	N/A
5. State/Fee well(s) attached to bond(s) in RBDMS on:	N/A

LEASE INTEREST OWNER NOTIFICATION:

6. Surface Facilities update in RBDMS on:

1. The NEW operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division

of their responsibility to notify all interest owners of this change on:

N/A

COMMENTS:

STATE OF UTAH

	DEPARTMENT OF NATURAL RESOUR	CES		
	5. LEASE DESIGNATION AND SERIAL NUMBER:			
SUNDRY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
Do not use this form for proposals to drill no drill horizontal la	7. UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL OIL WELL	8. WELL NAME and NUMBER:			
	GAS WELL OTHER_			SEE ATTACHED
2. NAME OF OPERATOR: XTO Energy Inc. N2(05			9. API NUMBER:
3. ADDRESS OF OPERATOR:	Englewood CO 8		PHONE NUMBER: (303) 397-3727	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL	STATE - ZIP -		()	
FOOTAGES AT SURFACE: SEE A	TTACHED			COUNTY: UINTAH
OTRIOTE SECTION TOWNSHIP BANK	CE MEDIDIANI-			STATE:
QTR/QTR, SECTION, TOWNSHIP, RANG	JE, MERIDIAN.			UTAH
11. CHECK APPE	ROPRIATE BOXES TO INDICATE	E NATURE (OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION	
✓ NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFORATE CURRENT FORMATION
(Submit in Duplicate)	ALTER CASING	FRACTURE	TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	☐ NEW CONST	TRUCTION	TEMPORARILY ABANDON
1/1/2016	CHANGE TO PREVIOUS PLANS	OPERATOR	CHANGE	TUBING REPAIR
	CHANGE TUBING	PLUG AND A	BANDON	VENT OR FLARE
SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BACK		WATER DISPOSAL
(Submit Original Form Only)	CHANGE WELL STATUS	PRODUCTIO	N (START/RESUME)	WATER SHUT-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	RECLAMATIC	ON OF WELL SITE	OTHER: Change of Operator
	CONVERT WELL TYPE	RECOMPLET	TE - DIFFERENT FORMATION	
12. DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all per	ertinent details incl	luding dates, depths, volume	es, etc.
Effective January 1, 2016	Finley Resources Inc. will be takin	ng over as op	perator of the attach	ed wells from XTO Energy.
				-acilien
Finley Resources Inc. (Ope	erator No. N3460)			RECEIVED JAN 12 2016
	RLB0011264			2016
FOR WORL, IX 70113	THE BOOK AWA			JAN I & CO.
(817) 336-1924				V. OT DIL, GAS & MINING
(1) (1)		DI	N.OFOIL, GAO
(4 B	1-5-1	6	•	
Signature	Date			
Finley Resources Inc.				
Finley Resources Inc. is co	onsidered to be the operator on the	e attached li	st and is responsible	e under the terms and conditions of
the lease for the operations	s conducted upon the lease lands	. Bond cove	erage is provided by	
UTB000305 and Departme	ent of Natural Resources Bond No). RLB00112	64.	8
				·
NAME (PLEASE PRINT) Kelly Kardo	os	TITLE	Permitting Superv	visor
Langue Ka	dan		12/22/2015	
SIGNATURE AND SIGNATURE		DATE		
				The state of the s

APPROVED

JAN 27 2016

(This space for State use only)

Sundry Number: 73555 API Well Number: 43047326710000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH	-0	FORM 9
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for pro current bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B
2. NAME OF OPERATOR: FINLEY RESOURCES INC			9. API NUMBER: 43047326710000
3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth,		PHONE NUMBER: 35 Ext	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NENW Section: 2	HIP, RANGE, MERIDIAN: 24 Township: 09.0S Range: 19.0E Merid	ian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
Finley Resource summary of planned	CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF WILDCAT WELL DETERMINATION COMPLETED OPERATIONS. Clearly show a ses plans on recompleting this disperations. Existing perfs will be run in order to frac dow recomplete new zones.	well. Attached is a vill be squeezed off and	Accepted by the
NAME (PLEASE PRINT)	PHONE NUMBE		
James Terry SIGNATURE N/A	435 299-9129	Field Operations Engineer DATE 8/3/2016	

Sundry Number: 73555 API Well Number: 43047326710000

Completion Procedure

Fed 3-24B Sec. 24 9S 19E(Natural Buttes) Uintah County, Utah API #- 43047322671

<u>Date</u>: July 20, 2016

AFE No.:

AFE Cost: \$302,802 Est. Cost to date (7-20-16): \$0

<u>Purpose</u>: Sqz perfs 4836-78'(1 spf)). Run csg patch over sqz perfs.

Elevation: 4723' GL 4735' KB TD: 5400' PBTD: 5288'.

Existing Perfs – **4836'-78'(1 SPF)**

	OD, IN	<u>ID, IN</u>	<u>WT.,</u> <u>#/FT</u>	<u>GRADE</u>	DEPTH, FT.	CMT, SKS.	EST. TOC, FT	CAP., BBL/FT	BURST, PSI	COLLAPSE, PSI
Surface	8 5/8	8.097	24	J-55, STC	397'	285	surface	.0637	1340	950
Production	5 1/2	4.892	17	J-55, LTC	5399'	863	surface'	0.0232	5320	4910
Tubing (to be ran)	2 7/8	2.441	6.50	J-55	4898'			0.0058	7260	7680

Safety Considerations: Will need to pressure test 2 7/8" tbg to 3000# prior to sqz.

Procedure:

- 1. MIRU CU. ND WH, NU BOP, test same. POOH w/ pump, rods and 2 7/8" tbg.
- 2. RU EL. RIH and set cmt retainer at +/- 4736'. RD EL.
- 3. PU cmt retainer stinger and TIH w/tbg. Sting into retainer, establish injection rate. Pressure test backside to 1500#.
- 4. Sting out of retainer and and establish circulation. C&C hole.
- 5. MIRU cementers. Spot cmt to within +/- 5 bbls of retainer. Sting back in and squeeze w/75 sx cmt. Try to attain maximum sqz pressure. If unable to get sqz, pump cmt away and over displace through pefs by 15 bbls. Resqueeze with another 75 sx. NOTE: Don't displace cmt with water below the retainer.

Clay O'Neil Page 1
C:\Users\jterry\Documents\Regulatory\Fed 3-24 recomplete\Fed 3-24B prog for recomplete.doc

8/3/2016

Sundry Number: 73555 API Well Number: 43047326710000

- 6. After sqz is attained, sting out of retainer, PU 10'(leave 10' cmt on top of retainer), reverse out 2 tbg volumes, POOH w/ stinger and tbg. WOC 48 hrs.
- 7. PU bit, and 2 7/8" tbg, TIH to retainer, C&C fluid, drill out retainer and cmt, C&C fluid. Close rams and test sqz to 500#. POOH w/bit.
- 8. Start operations to run HOMCO csg patch across sqzd perfs, detailed procedure from Weatherford will be provided.
- 9. Test csg patch and csg to 3500#.
- 10. RDMO CU.
- 11. MIRU WL and Frac Equipment
- 12. Shoot new perforations and frac down csg the following in 3 stages:
 - 5295-97'; 5274-76'; 5254-56'; 5233-35'; 5200-02'; 5185-87'; 5166-68'; 5155-57'; 5135-37'; 5123-25' (3 spf). Frac w/ 160,000# 40/70 and 40,000# 20/40 sand
 - 5066-76' (3 spf). Frac w/ 120,000# 40/70 and 30,000# 20/40 sand
 - 5029-31'; 5017-19'; 5007-09'; 4984-86'; 4975-77' (3 spf). Frac w/ 80,000# 40/70 and 20,000# 20/40 sand
- 13. Flowback well
- 14. MIRU completion rig and put well on production
- 15. RD completion rig

7/21/16.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES											AMENDED REPORT FORM 8 (highlight changes)				
			DIVIS	ION O	F OIL,	GAS	AND N	MININ	G			5. 1	EASE DESI	GNATION AND SE	ERIAL NUMBER:
WELI	L CON	/IPLE	TION	OR I	RECC	MPL	ETIC	N RI	EPOR	T ANI	D LOG	6. 1	F INDIAN, A	LLOTTEE OR TRI	BE NAME
1a. TYPE OF WELL: OIL GAS DRY OTHER										7. \	JNIT or CA A	AGREEMENT NAM	1E		
b. TYPE OF WORK: NEW HORIZ. DEEP- RE- DIFF. OTHER WELL LATS. EN ENTRY RESVR. OTHER										8. \	WELL NAME	and NUMBER:			
2. NAME OF OPERATOR:										9. /	API NUMBER	₹:			
3. ADDRESS OF OF	PERATOR:		CITY			STATE		ZIP		PHONE	NUMBER:	10 1	FIELD AND F	POOL, OR WILDC	AT
4. LOCATION OF W AT SURFACE:	ELL (FOOT		0111			OTATE		Z11				11.	QTR/QTR, S MERIDIAN:	SECTION, TOWNS	SHIP, RANGE,
AT TOP PRODUC	CING INTER	RVAL REPO	ORTED BE	ELOW:											
AT TOTAL DEPT	H:											12.	COUNTY	1	3. STATE UTAH
14. DATE SPUDDED	D:	15. DATE	T.D. REA	CHED:	16. DAT	E COMPL	ETED:	,	ABANDONE	D _	READY TO PRO	DDUCE	17. ELEV	ATIONS (DF, RKB	, RT, GL):
18. TOTAL DEPTH:	MĐ TVD			19. PLUG	BACK T.E	D.: MD TVD			20. IF M	IULTIPLE C	OMPLETIONS, H	OW MANY? *	21. DEPTI PLU	H BRIDGE MD IG SET:	
22. TYPE ELECTRIC		ER MECHA	NICAL LO	OGS RUN ((Submit cop)			23.				IVL	,
										WAS DST	L CORED? RUN? NAL SURVEY?	NC NC	YE	ES (Subr	nit analysis) nit report) nit copy)
24. CASING AND LI	NER RECO	RD (Repor	t all strinç	gs set in w	rell)										
HOLE SIZE	SIZE/GI	RADE	WEIGH	T (#/ft.)	(#/t.) TOP (MD) BOTTOM (MD) STAGE CEMENTER CEMENT TYPE & NO. OF SACKS					SLURRY VOLUME (BBL) CEMENT TOF		AMOUNT PULLED			
25. TUBING RECOR			1				1			1			- 1		
SIZE	DEPTH	H SET (MD)	PACI	KER SET (MD)	SIZE		DEPTH	I SET (MD)	PACKE	R SET (MD)	SIZE	DE	PTH SET (MD)	PACKER SET (MD)
26. PRODUCING IN	TERVALS		-							27. PERFO	RATION RECOR	D			
FORMATION	NAME	TO	P (MD)	BOTTO	OM (MD)	TOP	(TVD)	вотто	M (TVD)	INTERVA	AL (Top/Bot - MD)	SIZE	NO. HOLE	S PERFOR	RATION STATUS
(A)														Open	Squeezed
(B)														Open	Squeezed
(C)														Open	Squeezed
(D)														Open	Squeezed
28. ACID, FRACTUR	RE, TREATI	MENT, CEN	IENT SQL	JEEZE, ET	c.		J		-						
DEPTH I	INTERVAL								AMC	OUNT AND	TYPE OF MATER	IAL			
00 F1121 25== :		<u> </u>												1_,	
29. ENCLOSED ATT	ACHMENT	૪:										_		30. WEL	L STATUS:
=	RICAL/MEC			D CEMENT	Γ VERIFIC <i>i</i>	ATION	=	GEOLOG	IC REPORT	\equiv	DST REPORT OTHER:	DIRE	CTIONAL SU	JRVEY	
				-			_		-						

(CONTINUED ON BACK)

31. INITIAL PRO	ODUCTION				INT	ERVAL A (As sho	wn in item #26)						
DATE FIRST PR	ODUCED:	TEST DATE	≣:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL – E	BBL:	GAS - MCF:	WATER – B	BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GR.	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL – E	BBL:	GAS – MCF:	WATER – B	BBL:	INTERVAL STATUS:
	<u> </u>		I.		INT	ERVAL B (As sho	wn in item #26)			I.			•
DATE FIRST PR	ODUCED:	TEST DATE	≣:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL – E	BBL:	GAS – MCF:	WATER – B	BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GR.	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL – E	BBL:	GAS - MCF:	WATER – B	BBL:	INTERVAL STATUS:
			-		INT	ERVAL C (As sho	wn in item #26)				-		
DATE FIRST PR	ODUCED:	TEST DATE	= :		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL – E	BBL:	GAS - MCF:	WATER – B	BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GR.	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL – E	BBL:	GAS - MCF:	WATER – B	BBL:	INTERVAL STATUS:
		·	I.		INT	ERVAL D (As sho	wn in item #26)						•
DATE FIRST PR	ODUCED:	TEST DATE	≣:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL – E	BBL:	GAS – MCF:	WATER – B	BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRES	SS. API GR.	AVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	N OIL – E	BBL:	GAS – MCF:	WATER – B	BBL:	INTERVAL STATUS:
32. DISPOSITIO	ON OF GAS (Solo	l, Used for Fue	el, Vented, Etc	:.)	•	•				•	•		
33. SUMMARY	OF POROUS ZO	NES (Include /	Aquifers):				;	34. FORM	MATION (Le	og) MARKERS:			
	int zones of poros used, time tool op					n tests, including de	epth interval						
Formatio	on	Top (MD)	Bottom (MD)		Descript	tions, Contents, etc	.	Name				1)	Top Measured Depth)
35. ADDITIONA	L REMARKS (Inc	lude plugging	g procedure)										
	•		,										
36. I hereby cer	rtify that the fore	going and atta	ached informa	ntion is co	omplete and corre	ect as determined	from all available red	cords.					
NAME (PLEAS	SE PRINT)						TITLE						
SIGNATURE _							DATE						

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-68625
SUNDR	Y NOTICES AND REPORTS (ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	pposals to drill new wells, significantly dreenter plugged wells, or to drill horizon for such proposals.		7.UNIT or CA AGREEMENT NAME: WEST WILLOW CREEK
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: FEDERAL 3-24B
2. NAME OF OPERATOR: FINLEY RESOURCES INC			9. API NUMBER: 43047326710000
3. ADDRESS OF OPERATOR: PO Box 2200 , Fort Worth,		PHONE NUMBER: 35 Ext	9. FIELD and POOL or WILDCAT: WEST WILLOW CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0850 FNL 1980 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NENW Section: 2	HP, RANGE, MERIDIAN: 24 Township: 09.0S Range: 19.0E Merid	ian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
Approximate date work will start.	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	✓ FRACTURE TREAT	NEW CONSTRUCTION
10/6/2016	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	LI TEMPORARY ABANDON
DRILLING REPORT	L TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
Finley Resources so class G cmt. After so isolation tools were 4827' in order to consider to consider to consider to consider to consider to consider and 29,000 perforations shot from the consideration of the considerat		336'-4878' w/ 100 sx of ed, excess cement and vas run from 4887' to ning frac down casing. It is down to be supposed w/ 159,600# 40/70 dof 6176 bbl. New down 120,000# 40/70 of 4700 bbl. New w/ 82,000# 40/70 sand bl. Well was flowed bac	Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY
NAME (PLEASE PRINT)	PHONE NUMBE		
James Terry	435 299-9129	Field Operations Engineer	
SIGNATURE N/A		DATE 11/7/2016	

FEDERAL 03-24B	7/26/2016	On AM of 7/25/16 MIRU Peak Well Service. SITP and SICP=0#. Install 1 new rig anchor. MI flowback tank, float, etc RD horse head and latch onto rods and appeared to unseat pump. LD 2 rods and re-install polish rod. SIFN while waiting on water and pump and tank. On 7/26/16 will attempt to flush rods and tbg., pressure test tbg.and POOH and lay down rods and pump and POOH with tbg.
FEDERAL 03-24B	7/27/2016	On 7/26/16 move in additional equipment. SITP=0# and SICP=50#. Bled off gas. RU hot oiler and pump 120 bbl.of hot production water down the csgFlush tbg.with 60 bbl.of hot water with max.psi of 600#. Seat pump. Attempt to pressure test tbg.and could get to max.of 600#. Bled down. Suspect hole in tbgUnseat pump and POOH with rods and pump. Lay down 86-7/8" rods; 99-3/4" rods & 8-1" weight bars and BHP. Junk 18-3/4"; 2-7/8" and 2 weight bars due to shoulder wear. NDWH and release TAC. NU BOP's. Well has stayed dead. POOH with 40 stands of tbg.and SIFN due to paraffin in tbgNo hole yet. On 7/27/16 will finish POOH and run wireline tools and cement perfs.
FEDERAL 03-24B	7/28/2016	On 7/27/16 SITP and SICP=0#; Finish POOH with tbg.and found split 2 jts.above SN. Lay down a total of 3 jtsRU The Perforators WL and set a 5-1/2" composite BP at 4950'. Set a cement retainer at 4740'. RDWL. RIH with stinger, 1 jt,; SN and tbg.to 2300' and flush tbg.with hot water. Drop SV and pressure test.tbg.to 3000#OK. Finish RIH with tbg.and tag retainer at 4740'. Pressure test tbg.to 3000# and held Ok. Fish SV. Circ.hole clean with 140 bbl.of water. Sting into retainer. Pressure test csg.to 1500#-OK. MIRU Pro-Petro cementers and est.injection rate into perfs.4836-78' at 2.3 BPM at 500#. Cement with 100 sxs.of 15.8# "G" with fluid loss and displace with 26 bbl.of water with max.of 1800#. Stage 2 times with an additional ½ bbl.each time to a max.of 2000# with no bleed off. Sting out of retainer to 15' above retainer and reverse out ½ bbl.of cement. RDMO Pro-Petro. POOH with stinger and tbgRIH with 4-3/4" bit and tbg.to 650' and SIFN. On 7/28/16 will finish RIH to 60' above retainer, ND BOP's and NUWH and RDMO Peak WS to allow cement to cure.
FEDERAL 03-24B	7/29/2016	On 7/28/16 SITP and SICP=0#. Finish RIH with bit and tbg.to 4700' (40' above retainer). ND BOP's and NUWH. RDMO Peak WS. Wait on cement to cure.
FEDERAL 03-24B	8/2/2016	On 8/1/16 SITP and SICP=0#. MIRU Peak Well Service to continue recompletion operations. PU 2 jts.of tbg.and power swivel. Tag cement at 4734'. Drill out cement and retainer at 4740'. Took 4-1/2 hours. Continue to drill out hard cement from 4740' to bottom of perfs.at 4880' and fell out of cement. Drilled consistently at 1 minute per foot. Pull bit to 4830' after circulating clean. Stand back power swivel and fill hole. SIFN. On 8/2/16 will check fluid level and if OK will drill out composite BP at 4950

FEDERAL 03-24B	8/3/2016	On 8/2/16 SITP and SICP=0# with hole standing full. Squeeze appears to be holding. Continue in the hole with bit and drill out composite BP at 4950'. Continue in the hole and tag fill at 5035' and clean out sand and scale and sludge to new PBTD of 5337'. Circulate hole clean with production water. POOH with bit. RIH with Hydra-Scratcher on tbg.and scratch csg.from 4730' to 4922' and circ.hole clean at 4922' with 140 bbl.of hot fresh water. Pull scratcher to 4700' and SIFN. On 8/3/16 will POOH and lay down existing used tbg.and RIH with shoe, wash pipe and string mill and 2-7/8" N-80 work string to prep.for running csg.patch on 8/4/16.
FEDERAL 03-24B	8/4/2016	On 8/3/16 SITP and SICP=0# with hole standing full. POOH and lay down 2-7/8" production tbg.and Hyper Scratcher. Tally and rabbit in the hole with 2-7/8" N-80 work string and 4-3/4" mill and 4-3/8"x96' long wash pipe to 4858' and tag solid. POOH and lay down wash pipe. RIH with 4-3/4" mill, string mill and casing scraper and tbg. Tag at 4858' and RU swivel and clean out casing to 4875' (perfs.4836-78')in 4-1/2 hours of drilling. Recovering small shavings of metal and some scale. Hole standing full and circulating at 400# with no shoe of oil. Circ.hole clean at 4875' and stand back swivel and pull mill to 4800' and SIFN. On 8/4/16 will continue to attempt to clean out casing. Have to clean out to approx.4890' to cover patch.
FEDERAL 03-24B	8/5/2016	On 8/4/16 SITP and SICP=0# with hole full. RIH frin 4800' to tag at 4878' with mill, string mill and scraper in the hole. Make 2' of hole in 50 minutes. POOH with tools and lay down. While POOH hit tight spot at 2835' and had to work free. Tried to go back thru the spot and stacked out. Finish POOH with tools and lay down. RIH with 4-3/4" tapered mill and 4-3/4" water melon mill and tag at 2805'. Attempt to work thru spot with tongs and torqueing up. RU swivel. Had to mill out tight spots from 2805' to 2845' recovering fine metal shavings. Fell out of tight spot and swivel in to 2875'. Clear. RD swivel. RIH and got stuck at 2929' and had to pull 40M# over to free. POOH with tools. RIH with ret.BP on tbg.and set at 4780'. Test csg.to 3000#held OK. Release RBP and POOH with plug and SIFN. On 8/5/16 will RIH with a short water melon mill and tbg.and try to clean out well to run csg.patch.
FEDERAL 03-24B	8/6/2016	On 8/5/16 safety mtgSICP=0#. RIH with 4-3/4" watermelon mill and tag at 4883'. RU swivel and clean out to 4930'. Circ.hole clean. POOH with mill. PU and RIH with 60' HOWCO casing patch with Weatherford and setting tools and tbgRU Yhe Perforators WL and ran a GR correlation log and pick up 2' on the patch. Set the patch from 4887'to 4827'. Release from patch with a max.pull of 115M#. Pull and lay down 2 jts.and SIFW. On 8/8/16 will test patch and if all is OK will POOH and lay down work string and tools.

FEDERAL 03-24B	8/9/2016	On 8/8/16 SITP and SICP=0#. Fill hole with 1 bbl.of water and pressure test csg.patch and the entire casing to 2800# with no bleed off. Bled off pressure. POOH and lay down 2-7/8" N-80 rental string and setting tools. Run a 4' pup with hanger to NUWH with a bull plug and collars on each end of pup. RDMO Peak WS. RDUFA.
FEDERAL 03-24B	8/10/2016	For work done 8/9/2016. Build pad for treater and water tank. Set treeater and water tank and tie in tank landing and stairs. Start plumbing in water tank and treater.
FEDERAL 03-24B	8/11/2016	For work done 8/10/2016. Continue plumbing in water tank and treater.
FEDERAL 03-24B	8/12/2016	For work done on 8/11/2016. Finish plumbing in water tank and treater, run gas line to meter and tie in.
FEDERAL 03-24B	9/29/2016	On 9/28/16 15-1000 bbl.frac tanks have been filled with fresh water. Frac head has been installed and tested. MIRU The Perforators WL and perforate the following 1' intervals using a 2-3/4" csg.gun at 3 JPF and 120* phasing (16 gm; 0.38" EH; 35.94" EH) per the Density log dated 11/16/95: 5124'; 5136'; 5167'; 5186'; 5201'; 5234'; 5255'; 5275' & 5296' (10'30 holes). SIFN. On 9/29/16 will start frac work with TOPS.
FEDERAL 03-24B	9/30/2016	On 9/29/16 MIRU TOPS frac company. Safety mtgPressure test lines and frac head. Frac gross perforated interval 5124-5296 down 5-1/2" csg.using a slick water/xlink system as follows: SICP=100#. Break down perfs.at2900#. Pump 35 bbl.of 15% HCL acid followed by a 100 bbl.slick water pad, and stage 0.25 to 1.25 ppg 40/70 sand of 5100 bbl.and stage 200 bbl.of 14# x-link water with 2-4# per gal.20/40 sand and flush with 120 bbl.of slick water. Total load of 6176 bbl.of water. Total of 159600# of 40/70 sand and 29M# of 20/40 sand. Max.rate=60 BPM; Ave=59 BPM; Max.psi=3059#; Ave=2819#; ISIP=1732# (.77). RU The Perforators WL with 4.375" OD comp.frac plug and perforting gun. Stack out in csg patch at 4975' (patch is from 4826-89'). POOH with plug. Flush csg.with 15 bbl.of water at 1700#. RIH with 4.43" gauge ring (patch ID supposed to be 4.467") and stack out at 4875'. POOH with ring. RIH with 4" gauge ring to 5100' with no tag. POOH with ring. SIFN. Smaller OD plugs are supposed to be in Vernal 9/30/16 to resume frac work. SIFN.
FEDERAL 03-24B	10/3/2016	Fed.3-24B recompletion for report date 10/1/16 for work performed on 9/31/16: On AM of 9/31/16 SICP=140#. RIH with 3.92" OD comp.frac plug and set at 5100'. Perforate per the OH Density log Zone #2 at 3 JPF and 120* phasing the following interval: 5066-76'. Frac zone #2 with TOPS using a binary slick water and x-link gel

water system as follows: Pump 500 gal.of 15% HCL acid followed by a 100 bbl.slick water pad and stage 0.25-1.25 ppg 40/70 sand in 3800 bbl.of slick water and stage 2-4 ppg 20/40 sand in 170 bbl.of 14# x-link gel water system and flush with 120 bbl.of slick water. Total load of 4700 bbl.. Total sand of 120M# of 40/70 and 19M# of 20/40 sand. Max.psi=3204#; Ave=2977#; ISIP=1983# (FG=0.82). Zone#3: Set a 3.92" OD composite frac plug at 5050'. Perforate per the above gun and log interval: 4975-77'; 4984-86'; 5007-09'; 5017-19' & 5029-31' (10'-30 holes). Frac this zone with the above binary system as follows: Pump 1000 gal.of 15% HCL followed by a 100 bbl.slick water pad and stage 0.25-1.25 ppg 40/70 sand in 2600 bbl.and stage 2-4 ppg 20/40 mesh sand in 85 bbl.of 14# x-link gel water and flush with 115 bbl.of slick water. Total load of 3100 bbl..Total of 82M# of 40/70 sand and a total of 17300# of 20/40 sand. Max.rate=59.9; Ave=56.6 BPM; Max.psi=3004#; Ave=2810#; ISIP=1969# (0.83). SI the well and RD Service companies. TLLR=14,000 bbl.. After a 3 hour SI period SICP=1700#. Open the well at 10:30 PM on 9/30/16 on a 14/64" choke. Flow the well overnight. At 5:00AM on 10/1/16 FCP=1350# on a 15/64" choke at a rate of 110 bbl.per hour with no oil or gas and trace of sand. Continue to flow the well to cleanup. Total recovered is 700 bbl.with a LLR of 13,300 bbl.. On AM of 10/1/16 continue to flow the well to cleanup. SI the well at 9:00PM on 10/2/16 with a final FCP of 0# and a final rate of 28 bbl.per hour with the choke on a 64/64" choke with no gas or oil and a trace of sand with a cumulative recovery of 2200 bbl.with a LLR of 11800 bbl..Final report of flowback.

FEDERAL 03-24B

10/4/2016

Held safety meeting and MIRU Martinez WS- 400# on well. MIRU The Perforators WL w/ 5K lube. RIH and set kill plug at 4810'. POOH w/ setting tools and RDMO WL. ND frac head and NU BOPs. PU and MU 3 1/16" X/O, 2 7/8" float, 2 7/8" mud motor, and 3 7/8" 5 blade mill. RIH w/ BHA and PU and tally 154 jts of 2 7/8" tbg off trailer. Tag BP at 4810'. RU power swivel and fill tbg w/ 28 bbl, catch circulation- Good. SWIFN. Will start drill out in AM tomorrow.

FEDERAL 03-24B

Held safety meeting and catch circulation. Drill out kill plug at 4810' (had 100# kick). Wash down to 4826' and finish drilling up plug. Wash down through csg patch from 4827'-4875' and hit tight spot, work through for a couple inches with mill- Good. Come out of csg patch and swivel down to frac plug at 5050'. Drill up frac plug and swivel down to frac plug at 5100# and drill up (had 20' of sand 10/5/2016 ontop of plug and had 80# kick). Clean up for 15 minutes and swivel down and tag fill at 5260'. Clean out 72' of fill to new PBTD of 5342'. Circulate hole clean. RD and rack out power swivel. LD 9 extra jts on trailer and well still flowing up csg ~0.5 bbl/min. Pump 20 bbl brine followed by 5 bbl KCL down tbg, well dead after pulling half of string. POOH w/ 164 jts and BHA. LD mud motor and mill. PU and MU BHA and RIH w/ production tbg. Have 40 stands left to run, well started

flowing up tbg. SWIFN.

FEDERAL

03-24B

Held safety meeting and bleed off fluid ang gas- 140# tbg/110# csg, well still flowing water. RU pump and pump 20 bbl tbg brine kill. Finish TIH w/ production tbg and set TAC w/ 12K tension. Well flowing up csg, pump 20 bbl brine down csg and 10 bbl brine down tbg. ND BOPs, NU WH, X/O for rods. PU and prime new 2 1/2" x 1 3/4" x 18' RHAC pump (Accelerated). RIH w/ pump and rods. Seat pump, space out, and fill and stroke test pump to 800#- Good, 2 bbl to fill. RU pumping 10/6/2016 unit and RD Martinez WS. Tbg detail: KB- 13', Stretch- 1', 152 jts- 4749.95', TAC- 2.70', 10 jts- 311.81', PSN- 1.10', 1 jt- 30.33', Tbg sub- 4.20', Desander- 18.18', 3 jts- 93.29', Bull Plug- 0.71'. TAC @ 4765.95', PSN @ 5078.86', EOT @ 5225.57'. Rod Detail: pump, 8- weight bars (2-new) w/ 6 stab subs (3-new), 48- 3/4" slick/guided alternated(24 guided- new), 57- 3/4" slick, 87- 7/8" slick (6- new), 2' 4' and 8' pony subs, and polish rod. Well on production at 5:45pm. Recovered

210 bbl water while on well***.

RECEIVED: Nov. 07, 2016